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Because growth knows no boundaries.

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Thorndike, Doran, Paine & Lewis

Top quartile commingled equity funds

3-month returns

	%
Manufacturers Life, Ont.	29.4
Citizens Trust Co., Wis.	26.2
California First Bank	20.4
Security Pacific, Calif.	19.6
HT Investors Inc., R.I.	19.6
Merchants Natl., Ind.	19.3
First Wisconsin National	19.3
Omaha National Bank	19.0
First Bank Milwaukee	18.9
Heritage Trust, Wis.	18.2
Bank One Trust, Ohio	18.2
Central Bank Denver	18.2
Guardian Insurance, N.Y.	17.6
First of Pa., Erie	17.5
Philadelphia Life, Pa.	17.3
First Wisconsin Trust	17.2
Merchants Natl., Ala.	17.1
Capital Bank, Houston	17.0
Employers Life of Wausau	17.0
Huntington Banks, Ohio	16.7
Marquette National, Minn.	16.4
Bank of Southwest, Texas	16.4
First of Oklahoma	16.3
Union Natl., Wichita	16.0
Seattle Trust, Wash.	15.9
American Security, D.C.	15.5
Intrawest, Colo.	15.2
First Trust, St. Paul, Minn.	15.1
Sun Bank, Fla.	15.1
St. Louis County Bank	15.1
Natl. of Commerce, San Antonio	15.1
IAA Trust Co., Ill.	15.0
First Variable Life, Ark.	15.0
Marine Midland, N.Y.	14.9
Texas Commerce, Houston	14.9
Resource Bank & Trust, Minn.	14.8
Crocker National, Calif.	14.7
Philadelphia Natl., Pa.	14.7
Bank of America, Calif.	14.5
Life of Virginia	14.3
First City Natl., Houston	14.2
Connecticut Mutual Life	14.2
Mutual Benefit, N.J.	14.1
Citibank, N.Y.	14.1
First Natl. of Commerce, La.	14.1
Old National, Wash.	14.0
Northern Trust, Ill.	14.0
Marine Trust, Wis.	14.0
Pioneer Bank, Ill.	13.8
Hibernia National, La.	13.8
First of Fort Worth	13.7
Morgan Guaranty (Med.), N.Y.	13.6
Shawmut of Boston, Mass.	13.6
Planters National, N.C.	13.5
Provident National, Pa.	13.5
Union Central, Ohio	13.5
Cigna Corp., Conn.	13.5
American Natl., (Active), Chic.	13.4
Key Trust Co., N.Y.	13.2
AmSouth, Ala.	13.2
Liberty National, Okla.	13.1
United of Denver	13.1
First Kentucky Trust	13.0
Manufacturers Hanover, N.Y.	12.9
Chase Manhattan, N.Y.	12.9
CNA Insurance, Ill.	12.9
Aetna Life & Casualty, Conn.	12.9
Standard & Poor's 500	11.1

One-year returns

	%
Manufacturers Life, Ont.	160.0
Security Pacific, Calif.	118.9
Citizens Trust Co., Wis.	111.5
First Variable Life, Ark.	101.6
Huntington Banks, Ohio	93.7
California First Bank	93.7
Merchants Natl., Ala.	91.5
First Bank Milwaukee	91.2
First Wisconsin National	88.8
Citizens Chillicothe, Mo.	85.7
Intrawest, Colo.	85.2
Bank One Trust, Ohio	84.4
Seattle Trust, Wash.	83.7
United of Denver, Colo.	83.6
Merchants Natl., Ind.	82.7
Connecticut Mutual Life	82.0
First Union Bank, N.C.	81.4
Mutual Benefit, N.J.	80.7
Employers Life of Wausau	80.6
Sun Bank, Fla.	79.7
Equitable Trust, Md.	79.1
HT Investors Inc., R.I.	78.7
AmSouth, Ala.	78.5
First Wisconsin Trust	78.2
American Security, D.C.	78.0
Central Bank Denver	77.0
Bankers Life, Iowa	76.9
Northern Trust, Ill.	76.3
First of Oklahoma	75.8
Guardian Insurance, N.Y.	75.8
Omaha Natl. Bank, Neb.	75.7
Marine Midland, N.Y.	75.3
Chase Manhattan, N.Y.	75.1
US Natl. of Oregon	74.2
Citibank, N.Y.	73.7
Philadelphia Life, Pa.	73.4
Pioneer Bank, Ill.	73.0
Aetna Life & Casualty, Conn.	72.8
Texas Commerce	72.3
Cigna Corp., Conn.	72.0
Philadelphia Natl., Pa.	71.9
Marine Trust, Wis.	71.7
Fidelity Mgmt. Trust, Mass.	71.5
First Trust Corp., Colo.	70.5
Equitable Life (No. 4)	70.3
Provident National, Pa.	70.0
IAA Trust Co., Ill.	69.7
New England Mutual	69.4
Boatmen's Natl., Mo.	69.1
First City Natl., Houston	69.1
Morgan Guaranty (Med.), N.Y.	69.1
First Trust, St. Paul	68.1
Gary-Wheaton Bank, Ill.	67.8
First of Chicago	67.5
Rainier National, Wash.	67.0
Mercantile at Dallas	66.8
Minnesota Mutual	66.7
Lake Shore Natl., Ill.	66.5
State Street Bank, Mass.	66.4
Summit & Elizabeth, N.J.	66.1
Bank of Southwest, Texas	65.7
Planters Natl., N.C.	65.4
Resource Bank & Trust, Minn.	65.2
Fidelity Union, N.J.	65.0
Bessemer Trust, N.Y.	64.7
Crocker Natl., Calif.	64.7
Standard & Poor's 500	61.4

Three-year returns

	%
Manufacturers Life, Ont.	49.6
Citizens Trust Co., Wis.	38.2
Employers Life of Wausau	36.2
First of Oklahoma	35.2
California First Bank	34.2
Intrawest, Colo.	33.9
First Variable Life, Ark.	33.8
United of Denver	33.2
AmSouth, Ala.	31.9
First Union Bank, N.C.	31.5
First Wisconsin Natl.	31.3
Huntington Banks, Ohio	31.3
First Bank Milwaukee	31.1
Citizens Chillicothe, Mo.	30.4
Marine Trust, Wis.	30.3
Connecticut Mutual Life	30.1
Bank One Trust, Ohio	30.0
Sun Bank, Fla.	30.0
IAA Trust Co., Ill.	29.1
Omaha Natl. Bank, Neb.	29.1
Philadelphia Life, Pa.	28.9
Philadelphia Natl., Pa.	28.8
US Natl. of Oregon	28.6
Mercantile at Dallas	28.4
Seattle Trust, Wash.	28.1
First Interstate of Nev.	27.9
Sentry Life, Wis.	27.9
Lake Shore Natl., Ill.	27.8
Mutual Benefit, N.J.	27.6
Home Life, N.Y.	27.5
First Wisconsin Trust	27.4
Provident National, Pa.	27.3
Manufacturers Detroit	27.1
Equitable Life (No. 4)	26.9
HT Investors Inc., R.I.	26.9
American Natl. (Active), Chic.	26.7
Northern Trust, Ill.	26.5
First City Natl., Houston	26.4
Merchants Natl., Ind.	26.3
Guardian Insurance, N.Y.	26.3
State Street Bank, Mass.	26.2
Planters National, N.C.	26.1
First Tennessee, Chat.	26.1
Heritage Trust, Wis.	26.0
First Trust Corp., Colo.	25.9
Texas Commerce, Houston	25.8
Chase Manhattan, N.Y.	25.7
Aetna Life & Casualty, Conn.	25.7
Natl. of Commerce, Nebr.	25.6
American Security, D.C.	25.6
US Natl. of Galveston	25.4

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Look At The Numbers:

Percentage Appreciation 6/30/80 – 6/30/83

Dow Jones Industrial Average	Standard & Poors Five-Hundred	Connecticut Mutual's Common Stock Fund
up 67.6%	up 72.7%	up 117.8%*

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CONNECTICUT MUTUAL
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Connecticut Mutual Life Insurance Company (est. 1846) and its affiliates • Hartford, CT

Top equity funds by size

1-year returns
Over $100 million

	%
Intrawest, Colo.	85.2
Mutual Benefit, N.J.	80.7
Bankers Life, Iowa	76.9
Chase Manhattan, N.Y.	75.1
US Natl. of Oregon	74.2
Citibank, N.Y.	73.7
Cigna Corp., Conn.	72.0
Philadelphia Natl., Pa.	71.9
Fidelity Mgmt. Trust, Mass.	71.5
Equitable Life (No. 4)	70.3

$50 million to $100 million

	%
Security Pacific, Calif.	118.9
AmSouth, Ala.	78.5
Northern Trust, Ill.	76.3
New England Mutual, Mass.	69.4
First City Natl., Houston	69.1
First Trust St. Paul	68.1
First of Chicago	67.5
Minnesota Mutual	66.7
Bessemer Trust, N.Y.	64.7
John Hancock (Alpha Plus)	63.4

$10 million to $50 million

	%
Citizens Trust Co., Wis.	111.5
California First Bank	93.7
First Bank Milwaukee	91.2
First Wis. National	88.8
Citizens Chillicothe, Mo.	85.7
Bank One Trust, Ohio	84.4
Seattle Trust, Wash.	83.7
United of Denver	83.6
Merchants Natl., Ind.	82.7
First Union Bank, N.C.	81.4

Under $10 million

	%
Manufacturers Life, Ont.	160.0
Huntington Banks, Ohio	93.7
Merchants Natl., Ala.	91.5
Connecticut Mutual Life	82.0
Pioneer Bank, Ill.	73.0
IAA Trust Co., Ill.	69.7
Boatmen's Natl., Mo.	69.1
Gary-Wheaton Bank, Ill.	67.8
Lake Shore Natl., Ill.	66.5
Bank of Southwest, Texas	65.7

10-year returns
Over $100 million

	%
Bankers Life, Iowa	16.6
US Natl. of Oregon	16.0
Intrawest, Colo.	14.1
Equitable Life (No. 4)	13.7
Mercantile at Dallas	13.1
Massachusetts Mutual	13.0
Provident National, Pa.	12.5
Cigna Corp., Conn.	12.4
Life of Virginia	11.7
Travelers, Conn.	11.3

$50 million to $100 million

	%
AmSouth, Ala.	17.3
Bessemer Trust, N.Y.	16.4
Hibernia National, La.	13.6
Minnesota Mutual	13.2
First of America, Mich.	12.5
First Pennsylvania Bank	11.7
Sentry Life, Wis.	11.5
First City Natl., Houston	11.3
Manufacturers Detroit	10.9
New England Mutual	10.0

$10 million to $50 million

	%
Citizens Chillicothe, Mo.	21.5
First Wis. National	20.7
Guardian Insurance, N.Y.	20.4
Philadelphia Life, Pa.	19.4
Employers Life of Wausau	18.0
First Trust Corp., Colo.	17.2
US Natl. of Galveston	17.0
Home Life, N.Y.	15.0
First of Oklahoma	13.9
Liberty Natl., Okla.	13.7

Under $10 million

	%
Manufacturers Life, Ont.	26.3
Confederation Life, Ont.	15.0
Capital Bank, Houston	14.9
First of Kenosha	13.4
Wheeling Dollar Bank	13.1
Pittsburgh Natl. (QMS)	12.6
First Natl. of Commerce, La.	12.6
Olympic Bank, Wash.	12.4
Provident Mutual, Pa.	11.8
Marquette Natl., Minn.	11.7
Girard Bank, Pa.	25.3
New England Mutual	25.3
Bank of Southwest, Texas	25.2
Society Natl., Ohio	25.1
Massachusetts Mutual	25.0
Central Bank Denver	24.9
Wheeling Dollar Bank, W. Va.	24.9
Genesee Merchants, Mich.	24.8
Confederation Life, Ont.	24.7
Rainier National, Wash.	24.7
Gary-Wheaton Bank, Ill.	24.6
Pioneer Bank, Ill.	24.6
Standard & Poor's 500	**19.9**

Five-year returns

	%
Manufacturers Life, Ont.	38.9
Intrawest, Colo.	31.2
Employers Life of Wausau	30.6
Citizens Chillicothe, Mo.	29.3
Philadelphia Life, Pa.	28.7
Bessemer Trust, N.Y.	27.0
First of Oklahoma	26.4
US Natl. of Oregon	26.3
Home Life, N.Y.	25.8
First Interstate of Nev.	25.6
Equitable Life (No. 4)	25.4
Mercantile at Dallas	25.3
United of Denver	25.3
First Union Bank, N.C.	25.2
First Wisconsin National	25.2
Omaha Natl. Bank	25.1
Philadelphia Natl., Pa.	24.6
Capital Bank, Houston	24.5
Natl. of Commerce, Nebr.	24.4
Marine Trust, Wis.	24.4
First Trust Corp., Colo.	23.9
Huntington Banks, Ohio	23.7
Texas Commerce Bank	23.3
AmSouth, Ala.	23.1
California First Bank	23.0
Cigna Corp., Conn.	22.8
Confederation Life, Ont.	22.8
First Bank Milwaukee	22.6
Guardian Insurance, N.Y.	22.6
Wheeling Dollar Bank, W. Va.	22.4
IAA Trust Co., Ill.	22.4
HT Investors Inc., R.I.	22.3
Aetna Life & Casualty, Conn.	22.2
Northern Trust, Ill.	22.2
Rainier National, Wash.	22.2
Sentry Life, Wis.	22.1
Girard Bank, Pa.	22.1
First Variable Life, Ark.	21.9
First City Natl., Houston	21.9
First Natl. of Commerce, La.	21.8
Chase Manhattan, N.Y.	21.8
Citibank, N.Y.	21.8
Equitable Trust, Md.	21.8
Provident National, Pa.	21.8
Bank One Trust, Ohio	21.7
Lake Shore Natl., Ill.	21.6
Sun Bank, Fla.	21.5
State Mutual Life, Mass.	21.4
American Security, D.C.	21.4
Commonwealth Natl., Pa.	21.3
Mid-State Bancorp., Pa.	21.1
First of Fort Worth	21.1
Planters National, N.C.	21.1
Natl. of Com., San Antonio	21.1
Bankers Life, Iowa	21.1
US Natl. of Galveston	20.9
Genesee Merchants, Mich.	20.9
First Wisconsin Trust	20.5
New England Mutual	20.5
Continental Bank, Pa.	20.5
Fifth Third Bank, Ohio	20.4
Standard & Poor's 500	**18.1**

Ten-year returns

	%
Manufacturers Life, Ont.	26.3
Citizens Chillicothe, Mo.	21.5
First Wisconsin National	20.7
Guardian Insurance, N.Y.	20.4
Philadelphia Life, Pa.	19.4
First Variable Life, Ark.	19.1
Employers Life of Wausau	18.0
AmSouth, Ala.	17.3
First Trust Corp., Colo.	17.2
US Natl. of Galveston	17.0
Bankers Life, Iowa	16.6
Bessemer Trust, N.Y.	16.4
US Natl. of Oregon	16.0
Confederation Life, Ont.	15.0
Home Life, N.Y.	15.0
Capital Bank, Houston	14.9
Intrawest, Colo.	14.1
Aetna Life & Casualty, Conn.	14.1
First of Oklahoma	13.9
Equitable Life (No. 4)	13.7
Liberty National, Okla.	13.7
Hibernia National, La.	13.6
First of Kenosha, Wis.	13.4
Minnesota Mutual	13.2
Landmark Union Trust, Fla.	13.2
Wheeling Dollar Bank, W. Va.	13.1
Mercantile at Dallas	13.1
Massachusetts Mutual	13.0
Genesee Merchants, Mich.	12.5
United of Denver	12.9
Fifth Third Bank, Ohio	12.8
Pittsburgh Natl. (QMS)	12.6
First Interstate of Wash.	12.6
Heritage Trust, Wis.	12.6
First Natl. of Commerce, La.	12.6
Provident National, Pa.	12.5
First of America, Mich.	12.5
Olympic Bank, Wash.	12.4
Cigna Corp., Conn.	12.4
Moline National, Ill.	12.3
Colorado National Bank	12.0
Provident Mutual, Pa.	11.8
Crown Life, Ont.	11.7
Marquette National, Minn.	11.7
Life of Virginia	11.7
Seattle Trust, Wash.	11.7
First Pennsylvania Bank	11.7
Texas American Bank	11.6
First Jersey National, N.J.	11.6
First Tennessee, Chat.	11.6
Standard & Poor's 500	**10.1**

Top quartile commingled fixed-income funds

3-month returns

	%
First of Shreveport, La.	3.5
Merchants Natl., Ala.	3.4
Ohio Citizens Trust	3.4
Merchants National, Iowa	3.3
Central Fid., Lynchburg, Va.	3.1
First Wisconsin National	3.0
Key Trust Co., N.Y.	3.0
First Variable Life, Ark.	3.0
Riggs of Washington	2.8
Society National, Ohio	2.8
Valley National, Ariz.	2.8
First Natl., Jackson, Miss.	2.7
Security Pacific, Calif.	2.6
Mutual of N.Y.	2.6
Ouachita National, La.	2.6
Marquette Natl., Minn.	2.5
Texas American Bank	2.4
First Citizens, N.C.	2.4
First Interstate of Nevada	2.3
Citibank, N.Y.	2.3
California First Bank	2.3
Maryland National	2.3
Morgan Guaranty, N.Y. (Med.)	2.3
Peoples Trust, Ind.	2.3
First of Grand Island, Neb.	2.3
Lincoln National, Ind.	2.3
First of Warsaw, Ind.	2.3
City Trust, N.J.	2.2
Lake Shore National, Ill.	2.2
Marine Trust, Wis.	2.2
Citizens & Southern, Ga.	2.2
Continental Illinois	2.2
Liberty National, Okla.	2.2
Security Trust, Rochester, N.Y.	2.2
Equitable Trust, Md.	2.1
First Natl., Lincoln, Neb.	2.1
Gary-Wheaton Bank, Ill.	2.1
Fidelity National, La.	2.1
Indiana National Bank	2.1
Moline National, Ill.	2.1
Crown Life, Ont.	2.1
Beverly Bank, Ill.	2.1
Genesee Merchants, Mich.	2.1
State Street Bank, Mass.	2.1
First of Neenah, Wis.	2.0
Natl. of Georgia	2.0
Fourth Natl., Tulsa, Okla.	2.0
First of Bartlesville, Okla.	2.0
Security-Peoples Trust, Pa.	2.0
Mid-State Bancorp., Pa.	2.0
Marine Midland, N.Y.	2.0
First of Mobile, Ala.	2.0
Bank of Oklahoma	2.0
Cullen Bank, Texas	2.0
Fleet National Bank, R.I.	1.9
Huntington Banks, Ohio	1.9
Landmark Union Trust, Fla.	1.9
First Wisconsin Trust (Int. Mat.)	1.9
Omaha Natl. Bank, Neb.	1.9
First of Elgin, Ill.	1.9
Olympic Bank, Wash.	1.9
First of Elgin, Ill.	1.9
Olympic Bank, Wash.	1.9
Old National, Wash.	1.9
Old Kent, Mich.	1.9
First American, Tenn.	1.9
Michigan Natl. of Detroit	1.9
Equibank, Pa.	1.9
Toledo Trust, Ohio	1.9
Puget Sound Natl., Wash.	1.9
Salomon Bros. Index	**1.3**
LBKL Index	**1.6**

One-year returns

	%
First Wisconsin National	44.3
United of Denver, Colo.	40.0
Central Natl., Cleveland	39.6
AmSouth, Ala.	39.1
First Variable Life, Ark.	38.5
Cigna Corp., Conn.	37.9
Wheeling Dollar Bank, W. Va.	37.9
Citibank, N.Y.	36.7
Trust SVCS of Amer., Calif.	36.6
Society National, Ohio	36.2
Centerre Trust, Mo.	36.2
Commonwealth Natl., Pa.	35.8
First Kentucky Trust	35.7
Intrawest, Colo.	35.3
Union Planters, Tenn.	35.3
Colorado National Bank	35.3
Wachovia Bank, N.C.	35.1
Key Trust Co., N.Y.	35.0
Texas Commerce, Houston	34.8
Natl. of Commerce, Nebr.	34.7
American Security, D.C.	34.6
Ohio Citizens Trust	34.4
State Mutual Life, Mass.	34.3
American National, Minn.	34.1
John Hancock	34.1
Lincoln National, Ind.	34.0
First of Chicago	33.7
Liberty Natl., Okla.	33.
Allied Bank, Texas	33.3
Marine Midland, N.Y.	33.1
Mutual of N.Y.	33.0
Peoples Trust, Ind.	33.0
Colonial Am. Natl., Va.	32.9
Irving Trust, N.Y.	32.8
Hawaiian Trust	32.7
Bankers Trust A, N.Y.	32.6
Bank of California	32.4
Confederation Life, Ont.	32.4
Security-Peoples Trust, Pa.	32.3
Connecticut Natl. Bank	32.2
Natl. of Commerce, Tenn.	32.0
New England Mutual	31.9
American Natl. Austin	31.9
Pioneer Bank, Ill.	31.7
First of Shreveport, La.	31.6
State Street Bank, Mass.	31.5
Fleet Natl. Bank, R.I.	31.5
Central Fid.-Lynchburg, Va.	31.5
First of Allentown, Pa.	31.4
Chase Manhattan, N.Y.	31.3
Minnesota Mutual	31.2
Mercantile Trust, Mo.	31.2
Security Pacific, Calif.	31.1
First Tennessee, Memphis	31.0
Girard Bank, Pa.	31.0
Citizens Fidelity, Ky.	30.9
Crocker National, Calif.	30.9
Texas American Bank	30.9
Manufacturers & Trader, N.Y.	30.8
Morgan Guaranty (Med.), N.Y.	30.8
Salomon Bros. Index	**42.4**
LBKL Index	**29.1**

Three-year returns

	%
Northern Central, Pa.	17.4
First Merch., Richmond, Va.	16.6
Fourth Natl., Wichita	16.2
Cullen Bank, Texas	16.2
Manufacturers Hanover, N.Y.	15.1
First Kentucky Trust	14.7
Allied Bank, Texas	14.7
Security-Peoples Tr., Pa.	14.6
Marine Midland, N.Y.	14.4
Centerre Trust, Mo.	14.4
American Natl., Austin	14.2
American Security, D.C.	14.0
Jefferson Trust, Ill.	14.0
Beverly Bank, Ill.	14.0
First Jersey Natl., N.J.	13.9
Union Planters, Tenn.	13.9
Fidelity Union (Int.), N.J.	13.8
Marine Trust, Wis.	13.8
Mercantile Trust, Mo.	13.8
Bankers Trust A, N.Y.	13.7
First Variable Life, Ark.	13.7
Riggs of Washington	13.7
First Valley Bank, Pa.	13.6
Winters Natl., Ohio	13.6
Texas Commerce	13.5
Landmark Union Trust, Fla.	13.4
First Interstate of Calif.	13.4
Bank of New England	13.4
Crocker National, Calif.	13.4
Ohio Citizens Trust	13.3
Girard Bank, Pa.	13.3
First Natl. of Commerce, La.	13.2
Texas American Bank	13.2
First of Warsaw, Ind.	13.1
First of Allentown, Pa.	13.0
Shawmut of Boston (Int.)	13.0
First of Grand Island, Neb.	13.0
American Natl., Chicago	12.9
Hibernia National, La.	12.9
Intrawest, Colo.	12.8
Seattle 1st Natl., Wash.	12.8
First of Maryland	12.8
Mutual of N.Y.	12.7
First of Neenah, Wis.	12.7
First of Kansas City	12.7
Key Trust Co., N.Y.	12.6
Central Trust, Ohio	12.6
Boatmen's Natl., Mo.	12.6
Connecticut National Bank	12.6
Mid-State Bancorp, Pa.	12.6
First of Pa., Erie	12.6

Top fixed funds by size

1-year returns
Over $100 million

	%
Cigna Corp., Conn.	37.9
Citibank, N.Y.	36.7
Centerre Trust, Mo.	36.2
Wachovia Bank, N.C.	35.1
American Security, D.C.	34.6
John Hancock	34.1
First of Chicago, Ill.	33.7
Chase Manhattan, N.Y.	31.3
Man. Hanover, N.Y.	29.3
Natl. Bank of Detroit	29.0

$50 million to $100 million

	%
Intrawest, Colo.	35.3
Marine Midland, N.Y.	33.1
Irving Trust, N.Y.	32.8
Bankers Trust A, N.Y.	32.6
Girard Bank, Pa.	31.0
Boatmen's National, Mo.	29.8
Hibernia National, La.	29.5
Northern Trust, Ill.	28.4
Travelers, Conn.	26.0
Fourth Natl, Wichita, Kan.	25.6

$10 million to $50 million

	%
First Wis. Natl., Madison	44.3
United of Denver, Colo.	40.0
Central Natl. Cleveland	39.6
AmSouth, Ala.	39.1
Trust SVCS of Amer., Calif.	36.6
Commonwealth Natl. Pa.	35.8
First Kentucky Trust	35.7
Colorado Natl. Bank	35.3
Natl. of Commerce, Nebr.	34.7
State Mutual Life, Mass.	34.3

Under $10 million

	%
First Variable Life, Ark.	38.5
Wheeling Dollar Bank	37.9
Society Natl., Ohio	36.2
Union Planters, Tenn.	35.3
Key Trust Co., N.Y.	35.0
Ohio Citizens Trust	34.4
Lincoln Natl., Ind.	34.0
Allied Bank, Texas	33.3
Peoples Trust, Ind.	33.0
Colonial Am. Natl., Va.	32.9

10-year returns
Over $100 million

	%
Manufacturers Hanover, N.Y.	9.5
Centerre Trust, Mo.	9.4
US Trust, N.Y.	9.4
Cigna Corp., Conn.	9.3
Wachovia Bank, N.C.	8.3
Citibank, N.Y.	8.1
Comerica Bank, Mich.	8.0
John Hancock	8.0
Natl. Bank of Detroit	7.8
First of Chicago	7.7

$50 million to $100 million

	%
Hibernia National, La.	10.5
Fourth Natl., Wichita, Kan.	10.2
Fidelity Bank, Pa.	9.8
Bankers Trust B, N.Y.	9.1
North Carolina Natl. Bank	8.3
Bankers Trust A, N.Y.	8.3
Irving Trust, N.Y.	8.1
Northern Trust, Ill.	7.9
First Pennsylvania Bank	7.9
First Union Bank, N.C.	7.8

$10 million to $50 million

	%
Jefferson Trust, Ill.	10.1
First Merch., Richmond, Va.	9.9
Seattle 1st Natl., Wash.	9.9
First Jersey Natl., N.J.	9.1
Mercantile Trust, Mo.	9.0
First Interstate of Calif.	8.9
First Wis. National	8.8
First Kentucky Trust	8.8
Summit & Elizabeth, N.J.	8.7
Massachusetts Mutual	8.6

Under $10 million

	%
Bank One Trust, Ohio	11.6
California First Bank	9.6
Fidelity Union (Int), N.J.	9.0
Allied Bank, Texas	9.0
First of Neenah, Wis.	8.9
Oregon Bank	8.8
Puget Sound Natl., Wash.	8.6
First of Bartlesville, Okla.	8.6
Union Planters, Tenn.	8.4
First Interstate of Ariz.	8.3

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United of Denver	12.5
Olympic Bank, Wash.	12.5
Fidelity Union, N.J.	12.4
Trust Co. of Florida	12.4
Toledo Trust, Ohio	12.4
First Interstate of Ariz.	12.4
Morgan Guaranty, (Med.), N.Y.	12.4
Central Natl., Cleveland	12.4
First Natl. State, N.J.	12.4
Salomon Bros. Index	**10.4**
LBKL Index	**12.0**

Five-year returns

	%
Fourth Natl., Wichita, Kans.	13.9
Texas Commerce, Houston	13.9
First Merch., Richmond	13.2
Seattle 1st Natl., Wash.	12.7
Hibernia National, La.	12.6
Fidelity Bank, Pa.	12.2
Cullen Bank, Texas	12.1
Manufacturers Hanover, N.Y.	12.1
Beverly Bank, Ill.	11.9
Boatmen's National, Mo.	11.9
Jefferson Trust, Ill.	11.8
American Security, D.C.	11.8
First Jersey Natl., N.J.	11.7
Allied Bank, Texas	11.7
United of Denver	11.5
First of Kansas City	11.4
Bank of New England	11.3
Bankers Trust B, N.Y.	11.3
First Wisconsin National	11.2
American Natl., Austin	11.2
Riggs of Washington	11.2
Centerre Trust, Mo.	11.1
Mercantile Trust, Mo.	11.1
Trust Co. of Florida	11.0
First Kentucky Trust	11.0
First Interstate of Calif.	10.9
First Valley Bank, Pa.	10.9
Pittsburgh National	10.9
Fidelity Union (Int.), N.J.	10.9
Union Planters, Tenn.	10.8
Merchants Natl., Pa.	10.8
First of Pa., Erie	10.7
Security-Peoples Trust, Pa.	10.7
Manufacturers Detroit	10.7
US Trust, N.Y.	10.7
First of Neenah, Wisc.	10.7
Marine Trust, Wis.	10.6
Mid-State Bancorp, Pa.	10.6
American National, Minn.	10.5
First Bank Milwaukee	10.5
Landmark Union Trust, Fla.	10.4
North Carolina Natl. Bank	10.4
Bankers Trust A, N.Y.	10.4
Seattle Trust, Wash.	10.4
Indiana National Bank	10.4
Toledo Trust, Ohio	10.3
First of Maryland	10.3
American Natl., Chicago	10.3
First Natl. of Commerce, La.	10.3
Citizens Fidelity, Ky.	10.3
First of Warsaw, Ind.	10.2
BancTexas, Dallas	10.2
State Mutual Life, Mass.	10.2
Salomon Bros. Index	**7.1**
LBKL Index	**9.4**

Ten-year returns

	%
Bank One Trust, Ohio	11.6
Hibernia National, La.	10.5
Fourth Natl., Wichita	10.2
Jefferson Trust, Ill.	10.1
First Merch., Richmond	9.9
Seattle 1st Natl., Wash.	9.9
Fidelity Bank, Pa.	9.8
California First Bank	9.6
Manufacturers Hanover, N.Y.	9.5
Centerre Trust, Mo.	9.4
US Trust, N.Y.	9.4
Texas Commerce, Houston	9.4
Cigna Corp., Conn.	9.3
First Jersey Natl., N.J.	9.1
Cullen Bank, Texas	9.1
Bankers Trust B, N.Y.	9.1
Fidelity Union (Int.), N.J.	9.0
Mercantile Trust, Mo.	9.0
Allied Bank, Texas	9.0
First of Neenah, Wis.	8.9
First Interstate of Calif.	8.9
Oregon Bank	8.8
First Wisconsin National	8.8
First Kentucky Trust	8.8
Summit & Elizabeth, N.J.	8.7
Puget Sound Natl., Wash.	8.6
First of Bartlesville, Okla.	8.6
Massachusetts Mutual	8.6
United of Denver, Colo.	8.6
Manufacturers Detroit	8.6
Mercantile Safe, Md.	8.6
American Natl., Chicago	8.5
Landmark Union Trust, Fla.	8.4
Union Planters, Tenn.	8.4
Crocker National, Calif.	8.4
North Carolina Natl. Bank	8.3
Bankers Trust A, N.Y.	8.3
Wachovia Bank, N.C.	8.3
First Interstate of Ariz.	8.3
Security-Peoples Trust, Pa.	8.2
Citizens Fidelity, Ky.	8.2
United Virginia Bank	8.2
Ohio Citizens Trust	8.2
Security Trust, Rochester	8.2
Lincoln National, Ind.	8.2
First Natl. of Commerce, La.	8.2
American Fletcher (Int. Mat.)	8.2
American Fletcher, Ind.	8.2
Salomon Bros. Index	**6.6**
LBKL Index	**8.0**

The statistical performance data printed here is extracted from Pensions & Investments' Performance Evaluation Report, published separately each quarter by *Pensions & Investment Age*.

The P.I.P.E.R. statistics covering funds' performances for the third quarter of 1983, are scheduled to be published in the Nov. 14 edition of *P&I Age*.

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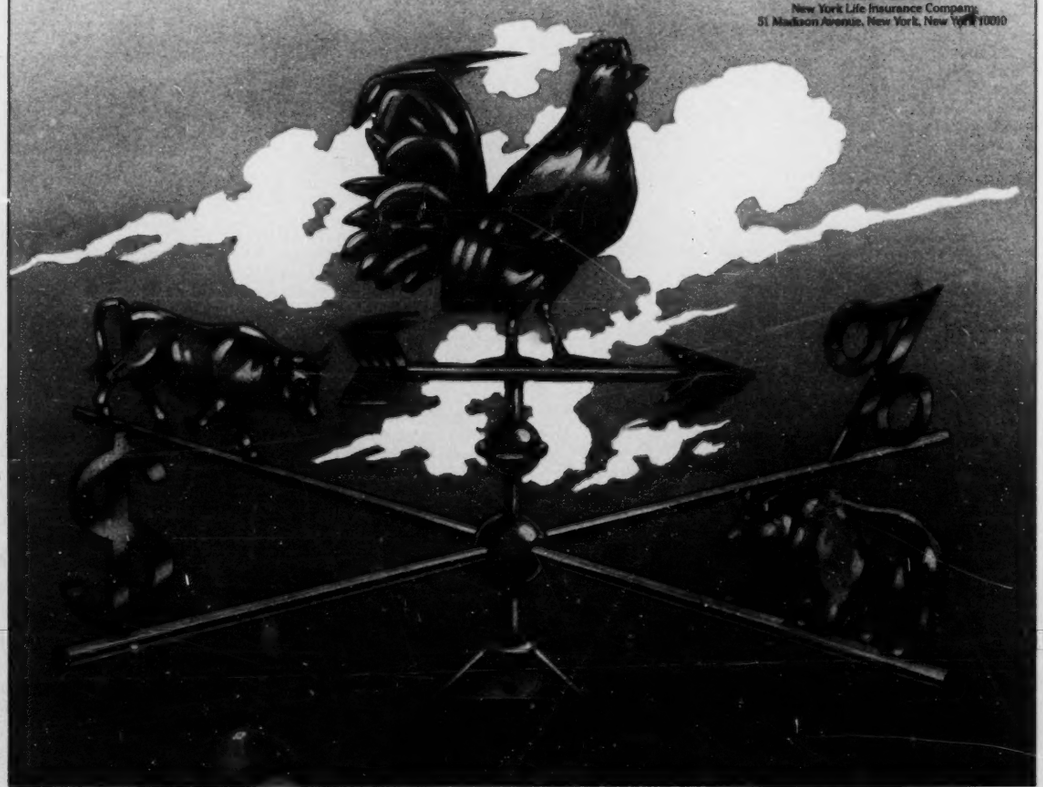


Insurer's strategy . . .

Continued from page 13

company brought in from products sold within the United States. This fund for the first six months of the year was up 39%, according to Mr. Parkinson.

The investment management of the funds is run as a team effort in much the same way a private investment counseling organization handles its money management, he added.

Other members of the team include Mark Yamada, financial vice president for U.S. equities, and investment managers Peter Luke and Don McKerchar.

More than any of the other funds managed, the $6 million fund is "a stock picking exercise," as opposed to the broad top-down approach used in selecting stocks for the other funds.

The fund's success has come from concentrating primarily on "story" rapid earnings type of growth stocks, he pointed out. These are stocks of companies that through analysis have been found to have some special story to tell such as the development of a new product or anything else that might indicate it could generate an earnings explosion.

The $6 million fund has a fairly high turnover rate of one to two times a year. The fund typically holds between 40 and 45 names, with technology issues and financial service stocks playing a key role in the past year.

Technology issues included **Intel**, a semiconductor and memory circuit company; **Watkins Johnson**, a defense electronics company; and **Adac Laboratories**, a health-technology corporation.

Financial stocks included **Payco American**, a collection agency; **Universal Money Center**, a distributor of automatic teller machines; and **Citicorp**.

Other stocks that have been good performers recently included the drug wholesaler **Bergen Brunswig**, which was bought at a little more than $4 a share and is in excess of $30 today; the consumer stock **American Stores**, a $27 buy a year ago that is just more than $100 now; and the building and construction stock **Presley**, bought at $13 a share a year ago and now selling in the high $20s and low $30s.

The portfolios have even profited from the old standby **International Business Machines**, which has more than doubled from the $60 a share it was bought at a year ago to $120 a share today, according to Mr. Parkinson.

In the past four to six weeks, however, the fund has scaled back its 45% weighting in technology issues to about 35%, holding the assets temporarily in cash.

This is with the expectation that a correction will be coming sometime in September or October.

The whole market correction probably will only be 15 percentage points, but in terms of damage to some particular stock families or individual issues, the decline could be twice that amount, Mr. Parkinson suggested.

If the firm thought there would be a bear market as in 1981, then it would move to a 50% to 60% cash position, he added.

With the larger funds, the firm concentrates more on a top-down approach, looking at four primary areas and then following through to identify stocks that fit in with its overall analysis of the market.

The four areas include the overall economic picture; money and credit indicators like interest rates; sentiment indicators like whether advisory services are bullish or bearish on the market; and technical analysis. ■

Bonds . . .

Continued from page 13

Orleans, 12.6%; and Fidelity Bank, Philadelphia, 12.2%.

For the 10-year period, Bank One Trust, Columbus, Ohio, came out on top with an 11.6% annualized return. Next were Hibernia National Bank in New Orleans, 10.5%; Fourth National Bank and Trust Co., Wichita, Kan., 10.2%; and Jefferson and Savings Bank of Peoria, Ill., 10.1%.

Not surprisingly, the predominant strategy of banks that performed well in the second quarter was a reduction in the maturity of the bond portfolio.

Some also reported moving out of the deep-discount bonds. Deep-discount bonds pay little or no coupon and sell for a discount that reflects the going interest rate.

Other strategies included the use of convertible preferred stock, and arbitraging between credit ratings.

Some banks, however, viewed the slowness in the market as only temporary and saw no need for such defensive strategies.

First Wisconsin took a defensive stance by reducing bond maturities in the second quarter. But it ties its 3% return for the quarter to a couple convertible bond issues in its $20 million fixed-income portfolio, including Fleet Financial.

With a variety of strategies, several other banks also deftly maneuvered their way through the abrupt turnaround in the bond market.

"We started to see a little weakening in the market," explained R. Davis Hoke, vice president and manager of trust investments at Ohio Citizens.

The bank reduced the amount of long-term bonds in its $3 million portfolio and beefed up short- and intermediate-term holdings with five- to 10-year maturities.

Ohio Citizens had the second highest return for the quarter, 3.4%, and was 22nd for the year, 34.4%.

Another factor boosting the bank's performance, Mr. Hoke explained, was "we didn't commit cash until the (quarter's) end, so we had cash when bonds were declining in the second quarter."

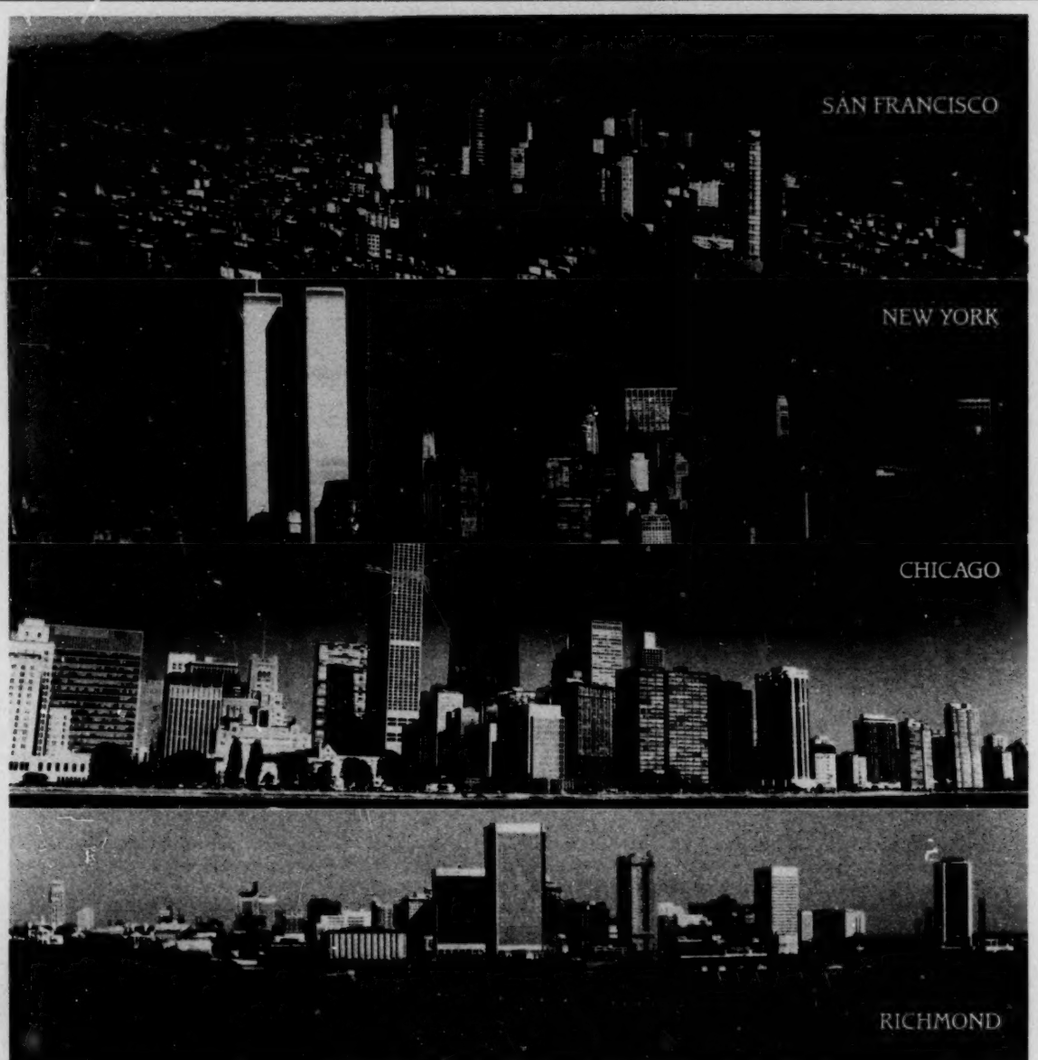
Charles Murray, trust investment officer at Merchants National of Mobile, attributed his fund's performance to a reduction in the average maturity to five years from 10. "We sold almost all our long government bonds somewhere around the third week of June," he said. Merchants National, which manages $40 million in bonds for tax-exempt investors, had a 3.4% return for the quarter.

Key Trust was "overtly bullish" in the latter part of 1982, according to Peter Ferrell, senior portfolio manager. Its high second-quarter performance, 3%, was attributed to the reduction in its average maturity and also the holding of a large number of A rated bonds. Mr. Ferrell explained A rated bonds were undervalued relative to AAA rated bonds. The spread between A and AAA rated bonds was 124 basis points in January and dropped to 53 basis points in July, he said.

While these banks were lowering maturities, Manufacturers Hanover raised its average maturity. The bank took some 40% of its $275 million fixed-income out of five- to seven-year bonds and moved into 20- to 30-year bonds, according to G.A. David Gray, senior vice president. The average maturity was raised to its current 18 years from nine years in mid-1982.

The bank lengthened its maturities to reflect its belief that the backup in rates was an "aberration" and that rates will fall for the balance of 1983 and into 1984.

For the three years ending June 30, Manufacturers Hanover ranked fifth with a 15.1% return; seventh for five years with a 12.1% return; and ninth for the 10-year period with a 9.5% return. ■



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Final stage in modernization

Law gives Florida fund option to appoint outside managers

TALLAHASSEE, Fla. — A new law authorizing the Florida State Board of Administration to hire outside, discretionary managers will enable the $6 billion fund to begin the final stage of a long-range plan to change the structure of its portfolio.

E.J. Yelton, executive director, said the legislation follows more than three years of work on gradually increasing the fund's equity position to "modernize" its investment approach. He said it "seems logical to put money into the market through other sources."

Until 1980, only 6% of the assets were in common stock, with a 25% state-imposed maximum. That ceiling first was raised to 40%, and then to 60% this year, he said. In the meantime, the fund's equity commitment has grown to 37%, with 4% in cash and 59% in intermediate and long-term bonds.

As a result of the new authority, the board has hired Carmack Group of Los Angeles to consult with the fund on devising what Mr. Yelton calls a "long-range plan for asset allocation."

Carmack is to make its recommendations in mid-August on such issues as whether to hire outside managers, how many to hire and what investment styles should be used. Mr. Yelton said the board will spend two to three months reviewing the consultant's report before making any decisions. "I'm sure we'll use them (outside managers) to some degree," he said.

Mr. Yelton said there is no urgency about finding outside managers like there was for the California Teachers' Retirement System (*Pensions & Investment Age*, July 11). Instead, the action is the result of a perceived need to broaden the investment authority of the rapidly growing fund, which he said should climb to $10 billion in assets in four years.

He also discounted speculation that the move to external money management is somehow connected to the departure less than a year ago of chief investment officer Kenneth Peterson and the difficulty the fund has had in retaining key investment personnel.

He did concede that hiring outside managers likely will be necessary because the board does not have the time to devote to building up an internal management staff.

He also said the position of chief investment officer has been eliminated and that the major decision — asset allocation — is being made by a committee that includes himself and the senior portfolio managers.

Any changes that result from the fund's new authority will be implemented gradually, Mr. Yelton said. ■

Equity funds . . .

Continued from page 13

and Trust Co. of Tulsa, Oklahoma, 35.2%; and California First Bank, San Diego, 34.2%.

For five years, ranking behind Manufacturers Life were IntraWest Bank of Denver, 31.2%; Employers Insurance of Wausau, 30.6%; Citizens Bank & Trust Co., Chillicothe, Mo., 29.3%; and Philadelphia Life Insurance Co., 28.7%.

For the 10-year period, Citizens Bank & Trust took second place, behind Manufacturers Life, with a return of 21.5%. First Wisconsin National Bank of Madison followed with 20.7%; Guardian Life Insurance, New York, 20.4%; and Philadelphia Life, 19.4%.

Median P.I.P.E.R. returns for the time periods have underperformed the Standard & Poor's 500 stock index for all but the annualized three-year figure. The median return for the quarter was 10.6% compared with 11.1% for the S&P 500. For the year, the gap widened significantly, with the median fund at 56.2% and the S&P 500 at 61.4%.

For three years, however, the median fund returned 20.2%, beating out the S&P's 19.2%.

But in the five- and 10-year statistics, the S&P again beat the P.I.P.E.R. medians, returning 18.1% and 10.1%, respectively, compared with P.I.P.E.R.'s 18% and 9.9%. ■

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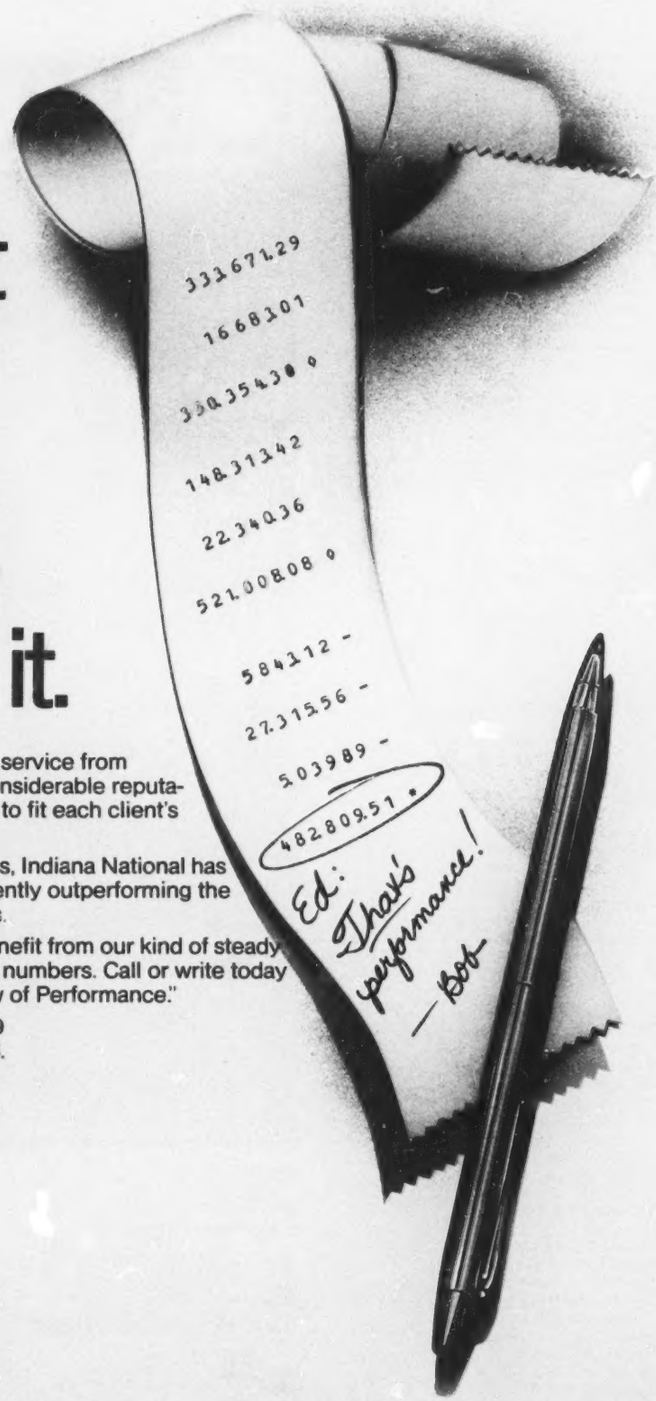

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Study: services will expand as number of banks dwindles

Larger banks will step up competition with investment banks

By Pavan Sahgal

NEW YORK — Fully half the banks in the United States will be actively competing with investment banks for fee income in offering merger and acquisition services, according to a major banking industry study.

In addition, as many as 75% of all banks are projected to offer brokerage services by the year 1990, the study found.

The new report predicts a dramatic decrease in the number of banks, from 15,000 in 1980 to only 9,600 by 1990. Small banks, with assets at less than $100 million, are forecast to decline 41%, from more than 13,000 in 1980 to less than 7,800 in 1990.

The decline is expected to shift assets to banks with more than $1 billion in holdings. Such banks might increase their assets share from 53% in 1980 to 65% in 1990, the report adds.

The study, "New Dimensions in Banking: Managing the Strategic Position," was conducted by the Bank Administration Institute and Arthur Andersen & Co. It used the Delphi forecasting method, which relies on the judgment of knowledgeable experts to obtain a consensus through multiple rounds of questioning.

The Delphi technique was used in the absence of an appropriate data base for logical extrapolation or model building.

The respondents included chief executive officers at banks, thrifts, securities firms, insurance companies and other financial services providers; chief operations officers of banks; investment bankers and financial analysts; and regulators and legislators.

Roughly 300 respondents, or about 15% of the 2,000 people polled, responded to both rounds of a two-part survey conducted in November 1982 and January 1983.

Commercial banks' entry into investment banking is viewed as "very likely" by financial analysts and chief executive officers at large banks.

Bank chief executive officers think securities brokerage might be the "best new area for banks to enter and be successful." But financial analysts are pessimistic about the bankers' probable degree of success, according to the study.

It adds, however, that 39% of the chief executive officers from large banks do not expect banks to underwrite securities until 1986 or later.

"Large banks, with assets in excess of $1 billion, are thinking of becoming much more of an investment banker than smaller banks," said Joel P. Friedman, San Francisco-based partner in Arthur Andersen & Co., who specializes in banking and strategic planning. "They plan to offer a full range of investment alternatives, such as execution of trades in terms of portfolios, and other corporate finance work."

The majority of banks also expect to take equity positions in their commercial lending operations by the end of the '80s. But regulators do not agree that banks will be permitted to do that.

Although some of the larger banks already are in a position to offer selected corporate finance services to clients, the banking industry professionals believe the Glass-Steagall Act inhibits business because corporations do not perceive commercial banks as having investment banking capabilities.

A consensus holds that banks will be permitted to offer securities underwriting services within the next three years, after Glass-Steagall is modified substantially or abolished, said Mr. Friedman.

"A wide choice of products will become even more important to customers in deciding where to deposit their funds," said Richard J. Wurzberg, executive vice president of planning and development, at the Bank Administration Institute.

A strategy of specializing by offering a limited product line might inhibit deposit growth, Mr. Wurzberg added.

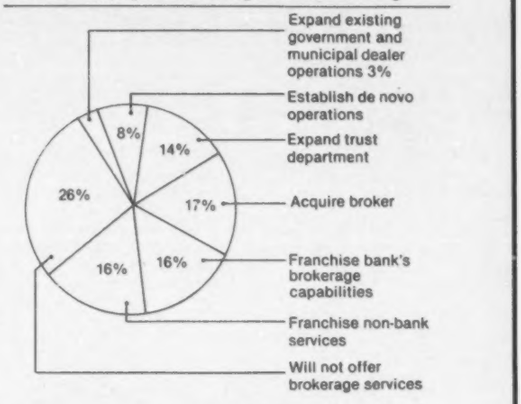
Consequently, most banks plan to offer brokerage services. But not all plan to offer a full range of investment banking services.

Banks might employ various strategies to enter securities brokerage, suggests the BAI-Arthur Andersen study. The most common of these might be franchise agreements with non-banks; others might be through acquisition of brokerage firms.

Although non-bank competitors believe 25% of all banks will choose acquisitions as the form of entry, the survey found only 13% to 15%

Continued on page 21

Means of Bank Entry into Securities Brokerage
Banks will employ various strategies to enter brokerage



*Arthur Andersen & Co. and Bank Administration Institute
Source: *New Dimensions in Banking: Managing the Strategic Position*

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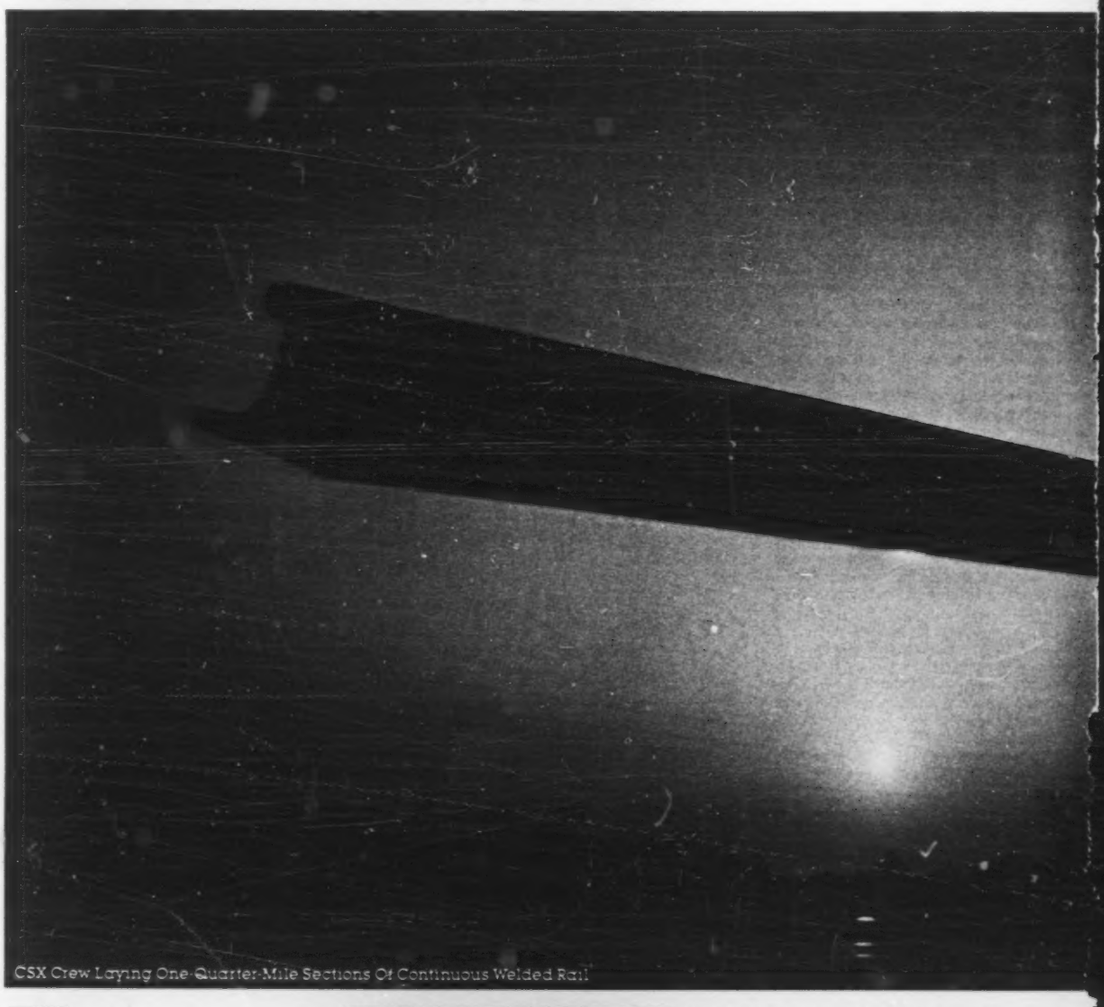

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Bank study . . .

Continued from page 20
of all banks plan to do so.

One of the attractions of the brokerage business might be growth: the survey panel forecasts the industry's growth rate at 20% to 22% a year through the decade.

Banks are predicted to gain at least 16% of the brokerage market by 1986 and 21% by 1990, but small-bank chief executive officers forecast banks would capture 24% of the market by 1986 and 29% by 1990. They could not agree on how this share would be divided among large, medium and small banks.

Insurance companies, savings and loan associations, and retailers are expected to seize 3% to 5% of the securities brokerage market by 1990. But securities firms were expected to remain leaders because of their "better investment advice, better access to research and, overall, a better image."

On the other hand, thrifts were seen to have the disadvantages of image, perceived safety and research abilities.

Surprisingly, bank chief executive officers expect their non-bank competitors to acquire few banks. In their view, others would enter the field by chartering new banks or by expanding existing product lines. But they believe banking acquisitions are likely to be made by foreign buyers, thrifts and some brokerage houses.

Financial analysts believe that insurance companies, large retailers, conglomerates and investment companies are less likely to acquire banks. Nonetheless, bank chief executive officers fear that even through the acquisition of a single bank, such competitors could gain banking powers and distribute new products and services through existing channels.

The study, marked by its density of issues, also included comment on the regulatory environment of the banking industry; predictions on technological advances in banking; lending; and market strategies.

It forecast a decline in bank earnings as a result of higher deposit costs, the expense of developing new products and increased competition. By 1990, large banks' return on assets was expected to drop from 0.82% to 0.76%; from 0.92% to 0.86% for medium banks; and from 1.13% to less than 1% for small banks.

Despite predictions of depressed earnings, bankers believe adequate capital generally will be available, with internal sources accounting for all but 14% of new bank capital through 1986.

The report may be obtained for $40 from Arthur Andersen & Co., New Dimensions in Banking, P.O. Box 1022, Tinley Park, Ill. 60477. ■

Stocks upped to 65%

Equity boost captures best return for police

LOS ANGELES — The $1.3 billion Los Angeles Fire & Police Pension System has turned in its highest return ever for 12 months, a 38.2% return on total fund performance for the year ending March 31.

Gary Mattingly, manager of the fund, credited much of the success to the board of trustees' decision to push the fund's equity exposure to nearly 65% of assets.

That figure differs markedly from the fund's past equity exposure, which sometimes was reported at 18%, in part because of a previous limitation on equity exposure to 25% of assets. Hit by high inflation, and a tax limitation initiative, the city administrative office and City Council began a push two years ago to increase the fund's investment return.

The plan's trustees asked for and received a change in the city charter that allowed the fund to invest up to 70% of assets in equities.

Last December, the fund also changed its custodian to Bankers Trust, New York, and began a securities lending program that has returned more income than promised. According to Mr. Mattingly, who became manager of the fund last year, Bankers Trust told him to expect about $50,000 a month in added income, but the fund has been receiving $80,000 a month instead.

"We are very pleased," he said.

Mr. Mattingly also praised his asset managers — Security Pacific Investment Managers, Boston Co., Wright Investors' Service and Chemical Bank of New York.

The fund had been returning about 3.9% annually in past years, he said. In more recent quarterly periods, the fund has been consistently in the top third of a comparison universe, he said. The turnaround performance has been welcome news at Los Angeles City Hall; Los Angeles, like other California cities, has been suffering from decreased state aid.

The board of trustees also is considering getting into options, and is considering hiring a consultant. ■

Legislation endorsed

SACRAMENTO, Calif. — A proposal that would make the California State Teachers' and Public Employees' Retirement Systems quasi-independent agencies has been endorsed 6-0 by a legislative conference committee.

Democratic supporters of the proposal are especially pleased at getting the vote of conference committee member Ed Davis, a conservative Republican senator and former Los Angeles police chief. Mr. Davis has been the frequent target of criticism from liberals.

Full State Senate and Assembly passage of bill No. 672 is expected soon. It then will go to Gov. George Deukmejian, who will have 12 days to decide whether to veto it. An administration representative had asked the conference committee to delay approving the bill for a month, but the request was refused.

If the bill is approved, the trustees of the two retirement systems will be able to set salaries for in-house members of their investment staffs. The salary setting power now is in the hands of executive branch administrative agencies.

The $10 billion teachers' fund recently transferred management of its assets to three outside advisers on an interim basis, saying current salaries for in-house investment staff were not high enough to attract new personnel. ■

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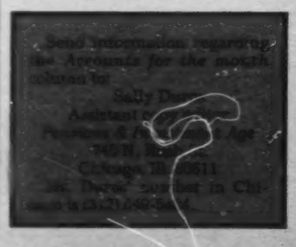

CANADA

Quebec's Caisse de depot et placement

Fund pulls in returns, packs political punch

By Kimberly Blanton

MONTREAL — Investing for political purposes need not be synonymous with poor returns — at least under Carmand Normand.

Mr. Normand heads equity investments for the $18 billion Caisse de depot et placement, the Quebec provincial pension fund. As a public fund, the Caisse has not remained free of the hot political controversies between the French-dominated and English-dominated provinces. Indeed, a stated goal of the fund is to support Quebec's development.

But Mr. Normand will not let that goal interfere with its primary goal of earning the best possible return on its equity investment.

"It will not be in the best interest of the province to use Caisse funds to subsidize a sector of the economy that will provide no return at the benefit of getting a short-term advantage," Mr. Normand explained in an interview in his Montreal office. Moreover, he said the fund is not interested in leaning on a company to make unprofitable decisions.

The fund's investments in the stock of large Canadian companies have been the source of much controversy in the Canadian investment community. The Caisse's equity portfolio contains large holdings in many of Canada's largest companies, including Alcan Aluminum Ltd., Bell Canada and Provigo Inc.

Critics charge the Caisse plans to use its muscle to influence firms to stay inside the province or to expand operations in Quebec, which has lost many companies whose executives fear the separatist sentiments of the provincial government.

The Canadian Parliament believed the threat to be serious enough to introduce last winter a bill that limits to 10% the shares of a transportation company that can be held by a provincial government agency. This followed a boost in the Caisse's holdings in Canadian Pacific Ltd. to 9.9%. CP is a transportation company, and Canada's largest company. The bill did not pass, and probably will be reintroduced in the next session of Parliament.

Although fund officials have been open about their aims — the annual report states the fund's "action is directed toward the support of Quebec's economic development" — it also can be argued that these make good investment sense.

The annual report states the fund's "action is directed toward the support of Quebec's economic development" — it also can be argued that this makes good investment sense.

Mr. Normand denies any direct link between his decisions on equity investments and the Quebec government's policy, however.

"I've been here 1½ years, and I never get a call from anybody about what I can buy and what I can sell," he said. Prior to joining the Caisse, Mr. Normand was a vice president at a trust company, Credit Foncier Franco Canadian.

He asserts the government does not know how to turn a profit.

He apparently does: In 1982, the equity investments brought in a 15.7% return, against 5.5% for the Toronto Stock Exchange index. If it were compared with the funds evaluated by Pension Finance Associates, Toronto, the Caisse nudged the 16.4% break-point for the upper quartile.

Mr. Normand pointed to the fund's return, saying, "To get the best return, that's where I think we can help the most. If that's because we implement the government policy, I'm willing to implement the government's policy every year."

Since the end of last year, the equity portion of the fund has grown from $3.2 billion to $4.1 billion, more than 20% of the fund.

About half of that growth was investment yield and the other half reflects an increase in the fund's commitment to all types of equity investments, according to Mr. Normand.

That includes stock in publicly held companies and shares in privately held ones, and investments in companies in which it assumes an equity participation, he said.

In addition to its controversial holdings in some of Canada's largest companies, the Caisse also has a program designed to bolster small and medium-size companies within the province. Often these companies are viable but small concerns whose liquidity has dried up in Canada's severe recession.

The Caisse chooses these companies for their management potential first.

"I think the criteria is we will invest in companies that have good management," Mr. Normand explained. The Caisse asserts it does not want to be a manager.

"We will not invest in a company with structural problems" in dying industries, "but we might invest in a company that will have a cyclical problem" and needs capital to ex-

Continued on page 55

Top 10 Canadian firms hold half of tax-exempt assets

Royal Trust, Great-West Life run 18% of $45.1 billion total

Royal Trust and Great-West Life Assurance Co. together oversee the investment of 18% of the $45.1 billion in tax-exempt assets managed by the firms included in *Pensions & Investment Age's* annual directory of Canadian investment advisers.

Moreover, the top 10 firms manage almost half of these assets, further underscoring the high concentration of Canadian pension assets among a few management firms.

The 55 Canadian advisers surveyed manage about $5.2 billion in real estate assets.

Total assets managed by these firms totaled $95.5 billion. All data the investment advisers supplied reflect assets as of March 31.

About $23 billion, almost half of the total tax-exempt assets, are concentrated among the 10 largest firms, which oversee stock, bond and real estate investments, with a smattering of venture capital and U.S. and overseas investments.

Royal Trust managed the most assets, $4.2 billion, followed closely by Great-West Life, with $4.1 billion under management. Those two companies were far ahead of the third ranking manager, Canada Trust, which invests about $2.5 billion.

Next on the list were Montreal Trust, $2.2 billion; Beutel Goodman & Co. Ltd., $2 billion; Standard Life Assurance Co., $2 billion; Confederation Life Insurance Co., $1.7 billion; Phillips Hager & North Ltd., $1.7 billion; Jarislowsky, Fraser & Co. Ltd. Investment Counsel, $1.5 billion; and Sceptre Investment Counsel Ltd., $1.1 billion.

The 55 firms profiled manage about $5.2 billion in real estate assets, of which $4.3 billion is in mortgages and $900 million in equity real estate. A total of 12 of those managers invest in equity real estate; 25 invest in mortgages.

Royal Trust, with $250 million in equity real estate under management, is at the top of that ranking. Second is Great-West Life with $159 million, followed by Canada Trust, $150 million; Sun Life Assurance Co. of Canada, $100 million; and The Canada Life Assurance Co., $97 million.

A few of the firms invest outside the traditional domestic markets. Beutel Goodman manages venture capital assets; Canada Permanent Trust has assets in Japanese stocks.

The following directory was compiled from questionnaires sent to Canadian money management firms.

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Top 10 Canadian investment managers

Ranked by tax-exempt assets under management

	($ million)
Royal Trust	4,200
Great-West Life	4,100
Canada Trust	2,481
Montreal Trust	2,198
Standard Life	2,002
Beutel Goodman	2,000
Confederation Life	1,700
Phillips Hager & North	1,700
Jarislowsky, Fraser	1,500
Sceptre Investment Counsel	1,100
Total	22,981

a

Aetna Canada

145 King St. W., Toronto, Ontario M5H 3T7; (416) 863-8000

Total assets managed	$1,032,600,000
Tax-exempt assets managed:	
Total	$410,000,000
Discretionary	$325,000,000
Minimum separate account	$2,000,000
Real estate assets managed:	
Equity	$10,000,000
Mortgages	$92,000,000
Tax-exempt clients	719
Number of portfolio managers	5
Size of research staff	4
Stocks followed generally	100
Stocks followed closely	80
Types of accounts mgd	CGJ

Tax-exempt assets at Aetna Canada totaled $410 million as of March 31.

The approximate mix for tax-exempt assets was 20% Canadian stocks; 21% bonds; 19% cash; 4% equity real estate; 33% mortgages; and 3% U.S. stocks.

Aetna Canada offers its clients equity, fixed-income, balanced, real estate and short-term investment management services.

For its equity approach, expected rates of return for every stock are compared with their risk (standard deviation) and a portfolio reflecting an acceptable overall risk level is constructed.

For its fixed-income investment approach, Aetna Canada strives to attain an above average, less volatile fixed-income return by using asset shifts between bonds and mortgages as well as movement along the yield curve.

B.F.H. Graham, vice president and treasurer, is chief investment officer; William H. Alexander, associate treasurer, is the client contact.

Altamira Management Ltd.

475 Michel Jasmin, Dorval, Quebec H9P 1C2; (514) 631-2347

Total assets managed	$300,000,000
Tax-exempt assets managed:	
Total	$135,000,000
Discretionary	$135,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	12
Number of portfolio managers	2
Types of accounts mgd	CF

Altamira managed $135 million in tax-exempt assets as of March 31.

A fixed-income manager, the firm's approximate asset mix was 80% bonds and 20% cash.

For fixed-income investment, the firm strongly believes in active bond management, adapting quickly to a changing environment rather than attempting to forecast far into the future; emphasis is on value in the marketplace. Gary Gilmore, president, and David Baker, vice president, are the chief investment officers and the client contacts.

Armika Ltd.

545 Dovercourt Road, Toronto, Ontario M6H 2W5; (514) 738-3284

Total assets managed	$8,000,000
Tax-exempt assets managed:	
Total	$1,000,000
Discretionary	$1,000,000
Minimum separate account	$500,000
Tax-exempt clients	1
Number of portfolio managers	1
Stocks followed generally	50
Stocks followed closely	50
Types of accounts mgd	CF

As of March 31, tax-exempt assets at Armika totaled $1 million. 95% of that was invested in Canadian stocks.

The firm is an equity manager.

Its investment approach is based on modern portfolio theory and market timing. Stocks are selected for potential dividend increases. Rare emerging growth stocks are selected.

None of the firm's clients are pension funds of subsidiaries of U.S. firms.

M. Aronovitch is the chief investment officer and the client contact.

b

Beutel Goodman & Co. Ltd.

Suite 1201 2300 Yonge St., Toronto, Ontario M4P 1E4; (416) 485-1010

Total assets managed	$2,300,000,000
Tax-exempt assets managed:	
Total	$2,000,000,000
Discretionary	$2,000,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$60,000,000
Tax-exempt clients	75
Number of portfolio managers	7
Size of research staff	3
Types of accounts mgd	CEFJ

Beutel Goodman managed $2 billion in tax-exempt assets as of March 31.

The approximate mix for tax-exempt assets was 58% Canadian and U.S. stocks; 23% bonds; 15% cash; 2% equity real estate; and 2% venture capital.

The firm has equity, fixed-income, balanced and real estate capabilities.

It uses an equity philosophy based on sector rotation and Graham & Dodd. It uses a contrarian and value-oriented approach that seeks to accumulate deeply undervalued equities that are at a discount to intrinsic value at a low multiple of earnings.

The fixed-income approach is one of interest rate anticipation. There is an emphasis on liquidity, quality and income stream.

Total returns are augmented through active management that exploits both anomalies in yield curve relationships and deviations from the expected trend in rates.

The firm has 24 clients that are pension funds of subsidiaries of U.S. firms.

Clients include Abbott Laboratories, Caterpillar of Canada, GTE, Inco, Rockwell Canada and Woolworth.

Austin C. Beutel is the chief investment officer; David A. Williams is the client contact.

Black, Galper & Heessels Ltd.

2 First Canadian Place, Suite 1010, P.O. Box 413, Toronto, Ontario M5X 1E3; (416) 869-0163

Total assets managed	$976,000,000
Tax-exempt assets managed:	
Total	$969,000,000
Discretionary	$969,000,000
Minimum separate account	$10,000,000
Tax-exempt clients	31
Number of portfolio managers	6
Stocks followed generally	200
Stocks followed closely	40
Types of accounts mgd	CEFGJ

Tax-exempt assets at Black, Galper & Heessels totaled $969 million as of March 31.

The approximate mix for tax-exempt assets was 46% Canadian stocks; 23% bonds, 25% cash and 6% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

It uses an equity approach based on sector rotation and market timing.

Its fixed-income approach is based on interest rate anticipation.

The firm has six clients that are pension funds of subsidiaries of U.S. firms.

Paul F. Black, president, is the chief investment officer and the client contact.

Bolton, Tremblay Inc.

Suite 800, 1100 University St., Montreal, Quebec H3B 4K5; (416) 864-1480

Total assets managed	$1,600,000,000
Tax-exempt assets managed:	
Total	$1,000,000,000
Discretionary	$800,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	85
Number of portfolio managers	15
Stocks followed generally	140
Stocks followed closely	80
Types of accounts mgd	CEFGJ

Tax-exempt assets at Bolton, Tremblay totaled $1 billion as of March 31.

The approximate mix for tax-exempt assets was 30% Canadian stocks, 50% bonds, 10% cash and 10% U.S. stocks.

The firm is a balanced manager.

Its equity approach is based on Graham & Dodd; emphasis is on value-oriented stock selection.

It uses a fixed-income approach based on interest rate anticipation and sector analysis. The overall bond strategy is based on interest rate forecasts and analysis of the yield curve, with frequent switches between bond market sectors on interest rate spreads.

Clients include Amoco, Bristol-Myers, University of Western Ontario and the City of Winnipeg.

Ian T. Scott, executive vice president and director, is the chief investment officer and the client contact.

c

The Canada Life Assurance Co.

330 University Ave., Toronto, Ontario, M5G 1R8; (416) 597-1456

Total assets managed	$4,500,000,000
Tax-exempt assets managed:	
Total	$973,000,000
Discretionary	$973,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$97,000,000
Tax-exempt clients	137
Number of portfolio managers	4
Size of research staff	11
Stocks followed generally	150
Stocks followed closely	150
Types of accounts mgd	CGJ

Canada Life managed $973 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 48% Canadian and U.S. stocks, 22% bonds, 10% equity real estate and 20% mortgages.

The firm is a balanced manager. It also has equity, fixed-income and real estate capabilities.

Its equity approach includes sector rotation, modern portfolio theory and market timing and leans toward smaller companies for investments.

Its fixed-income approach is based on interest rate anticipation. Sector analysis is also used.

The firm has six clients that are pension funds of subsidiaries of U.S. firms.

R.D. Redford, senior vice president, is the chief investment officer. W.T. (Taylor) Echlin, superintendent of group pension investment services, is the client contact.

Canada Permanent Trust Co.

320 Bay St., Toronto, Ontario M5H 2P6; (416) 361-8271

Total assets managed	$3,300,000,000
Tax-exempt assets managed:	
Total	$600,000,000
Discretionary	$600,000,000
Minimum separate account	$3,000,000
Real estate assets managed:	
Mortgages	$92,000,000
Tax-exempt clients	152
Number of portfolio managers	7
Stocks followed generally	150
Stocks followed closely	150
Types of accounts mgd	CEJ

Canada Permanent Trust managed $600 million in tax-exempt assets as of March 31.

The approximate mix for tax-exempt assets was 38% Canadian stocks, 28% bonds, 6% cash, 18% mortgages, 8% U.S. stocks and 2% Japanese stock.

The firm has equity, fixed-income and balanced capabilities.

For equity investment, the firm's approach includes growth stock, low p/e, sector rotation, Graham & Dodd, modern portfolio theory and market timing. Operated in a team approach, the equity approach is concentration in fewer than 35 situations with above-average returns prospects, given defined risk and liquidity markets.

It uses a fixed-income approach based on interest rate anticipation and sector analysis. Strategy corresponds to quality and liquidity considerations while taking an active approach to aberrations in the yield curve for Canadian and international markets.

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Norman G. Wright, senior vice president-trust services division, is the chief investment officer; John A. Boyd, senior investment officer, is the client contact.

Canada Trust-Investment Division

110 Yonge St., Toronto, Ontario M5C 1T4; (416) 869-6320

Total assets managed	$2,481,000,000
Tax-exempt assets managed:	
Total	$2,481,000,000
Discretionary	$2,481,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$150,000,000
Mortgages	$374,000,000
Tax-exempt clients	89
Number of portfolio managers	6
Size of research staff	4
Stocks followed generally	225
Stocks followed closely	105
Types of accounts mgd	CFJ

Canada Trust had $2.481 billion under management as of March 31.

The approximate mix for tax-exempt assets was 45% Canadian stocks, 25% bonds, 5% cash, 15% mortgages and 10% U.S. stocks.

The firm is a balanced manager, with specialty managers for each asset class.

For equity investment, the firm's approach is based on Graham & Dodd. Sector rotation and market timing also are used. Emphasis is on industry over- and underweighting, with extensive use of external research for securities selection, including the Abel/Noser screening technique, Boston Co. and H.C. Wainwright economic forecasts used to anticipate trends.

It uses a fixed-income approach based on interest rate anticipation, aggressively using high-grade government bonds structured to a given maturity for maximum effect from their interest rate projection. Computer simulations by Gifford Fong Associates are used extensively.

Of the 225 stocks the firm follows generally, 145 are Canadian and 80 are U.S. Of the 105 closely followed stocks, 60 are Canadian and 45 are U.S.

Clients include Air Canada, HFC, University of Manitoba, BC Telephone, IBM, General Motors and Ford.

The firm has 18 clients that are pension funds of subsidiaries of U.S. firms.

W.J. Blowers, vice president-trust investments, is the chief investment officer and the client contact.

Canagex Placements Ltd.

500 Place d'Armes, Suite 1660, Montreal, Quebec H2Y 2W2; (514) 281-7469

Total assets managed	$880,000,000
Tax-exempt assets managed:	
Total	$455,000,000
Discretionary	$455,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Mortgages	$12,000,000
Tax-exempt clients	30
Number of portfolio managers	7
Stocks followed generally	200
Stocks followed closely	50
Types of accounts mgd	CF

Tax-exempt assets under management by Canagex Placements totaled $455 million as of March 31.

The approximate mix for tax-exempt assets was 15% Canadian stocks, 70% bonds, 5% cash and 10% U.S. stocks.

The firm has equity, fixed-income, balanced and options capabilities.

Its equity approach is based on sector rotation, Graham & Dodd, and modern portfolio theory.

Its fixed-income approach is based on interest rate anticipation and sector analysis.

The firm has one client that is a pension fund of a subsidiary of a U.S. firm.

Claude Lemire, president, is the chief investment officer and the client contact.

Central Trust

5151 Terminal Road, Halifax, Nova Scotia B3J 3C8; (902) 425-7390

Total assets managed	$2,800,000,000
Tax-exempt assets managed:	
Total	$85,000,000
Discretionary	$85,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	12
Number of portfolio managers	7
Stocks followed generally	125
Stocks followed closely	85
Types of accounts mgd	CEJ

Central Trust managed $85 million in tax-exempt assets as of March 31.

The approximate mix for tax-exempt assets was 40% Canadian stocks, 35% bonds, 5% cash, 15% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach is based on Graham & Dodd; its fixed-income approach is based on interest rate anticipation.

M.J. Small, vice president-investments, is the chief investment officer and the client contact.

Cockfield Cooper Cunningham Investment Counsel Inc.

20 Victoria St., Suite 205, Toronto, Ontario M5C 2N8; (416) 366-2253

Total assets managed	$241,000,000
Tax-exempt assets managed:	
Total	$231,000,000
Discretionary	$231,000,000
Minimum separate account	$2,000,000
Real estate assets managed:	
Mortgages	$25,000,000
Tax-exempt clients	17
Number of portfolio managers	4
Stocks followed generally	600
Stocks followed closely	200
Types of accounts mgd	CEFJ

Cockfield Cooper Cunningham had $231 million in tax-exempt assets under management as of March 31.

The approximate mix for tax-exempt assets was 45% Canadian stocks, 30% bonds, 10% cash, 10% mortgages and 5% U.S. stocks.

The firm has equity, fixed-income, balanced and mortgage capabilities.

Its equity approach is aggressive based on growth stock, industry rotation and market timing.

Interest rate anticipation is the basis for its fixed-income approach. Concentrating on Canadian bonds for liquidity and trading purposes, bond money is managed actively.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

Clients include Coca-Cola Ltd., Canada Cement, Westons and Polysar Ltd.

David Cockfield, president, is the chief investment officer; Andrew T. Griffith is the client contact.

Compagnie d'assurance sur la vie La Sauvegarde

1 Complexe Desjardins, Montreal, Quebec H5B 1E2; (514) 285-7700

Total assets managed	$405,000,000
Tax-exempt assets managed:	
Total	$85,000,000
Discretionary	$85,000,000
Minimum separate account	$1,000,000
Real estate assets managed:	
Mortgages	$14,000,000
Tax-exempt clients	19
Number of portfolio managers	2
Size of research staff	1
Stocks followed generally	80
Stocks followed closely	50
Types of accounts mgd	C

The firm's tax-exempt assets under management totaled $85 million as of March 31.

The approximate mix for tax-exempt assets was 12% Canadian stocks; 52% bonds; 19% cash; and 17% mortgages.

The firm is a balanced manager.

Its equity approach is based on sector rotation. From an economic forecast, an asset mix and specific industry weights are derived. There is emphasis on high-capitalization, low p/e stocks to obtain a long-term superior performance.

Its fixed-income approach is based on sector analysis. It uses active portfolio management in anticipation of interest rate movements as well as sector swapping to exploit market aberrations, with emphasis on high-quality liquid securities.

Gerard Bouvier, vice president-finances, is the chief investment officer; Rene Delsanne, manager-group pension funds, is the client contact.

Confederation Life Insurance Co.

321 Bloor St. E., Toronto, Ontario M4W 1H1; (416) 967-8162

Total assets managed	$1,700,000,000
Tax-exempt assets managed:	
Total	$1,700,000,000
Discretionary	$1,500,000,000
Minimum separate account	$4,000,000
Real estate assets managed:	
Equity	$25,000,000
Tax-exempt clients	535
Number of portfolio managers	6
Types of accounts mgd	CJ

Canadian Life managed $1.7 billion in assets, all tax-exempt, as of March 31.

The approximate mix for assets was 35% Canadian stocks, 39% bonds, 3% cash, 12% mortgages and 11% U.S. stocks.

The firm has equity, fixed-income, balanced and real estate capabilities.

Its equity approach is based on Graham & Dodd. The firm concentrates on shares of companies with high sustainable return on equity produced by asset turnovers and margins.

Interest rate anticipation and trading are the cornerstones of the firm's fixed-income approach. Sector analysis is used.

A.F. Hamblin, president, is the chief investment officer; F.G. Ryan, assistant vice president-group pension marketing, is the client contact.

Connor, Clark & Lunn Investment Management

1055 Dunsmuir St., Suite 764, Box 49296, 4 Bentall Centre, Vancouver, British Columbia V7X 1L3; (604) 669-3512

Total assets managed	$100,000,000
Tax-exempt assets managed:	
Total	$55,000,000
Discretionary	$55,000,000

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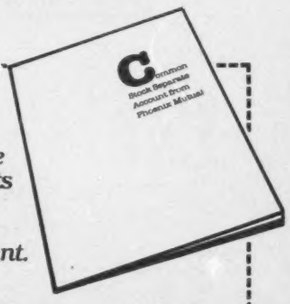

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Phoenix Mutual will be pleased to provide, upon request, financial statements, including its latest two annual reports, and other information material to the contract and the determination of interest rates thereunder.

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Minimum separate account	$1,000,000
Tax-exempt clients	12
Number of portfolio managers	5
Size of research staff	1
Stocks followed generally	160
Stocks followed closely	50
Types of accounts mgd	CPJ

As of March 31, Connor, Clark & Lunn managed $55 million in tax-exempt assets.

The approximate asset mix was 35% Canadian stocks, 48% bonds, 7% cash and 10% U.S. stocks.

The firm is a balanced manager.

The basis for the firm's equity approach includes emerging growth, low p/e, sector rotation and Graham & Dodd. Equities are catagorized into two areas: core stocks, which are identified through a concept approach and financial screens; and non-core positions, for which a top-down approach using sector rotation and some market timing is applied.

For fixed-income investment, sector analysis and a value-added approach are used. Capital preservation is one of the cornerstones for fixed-income investing. Interest rate timing is downplayed. Value-added techniques are used to identify the best relative rates of return.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

Larry R. Lunn, president and managing partner, is the chief investment officer; Dale C. Christensen, vice president, is the client contact.

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David L. Lindsay
President

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Boston, Massachusetts

Contact:

Tony Wilkins
One Boston Place
Boston, Massachusetts 02108
(617) 723-7540

Crown Life Insurance Co.

120 Bloor St. E., Toronto, Ontario M4W 1B8; (416) 928-4500

Total assets managed	$2,134,000,000
Tax-exempt assets managed:	
Total	$940,000,000
Discretionary	$940,000,000
Minimum separate account	$1,000,000
Number of portfolio managers	6
Size of research staff	4
Stocks followed generally	280
Stocks followed closely	50
Types of accounts mgd	C

As of Dec. 31, 1982, tax-exempt assets at Crown Life totaled $940 million.

The firm has equity, fixed-income and balanced capabilities.

For equity management, market timing is emphasized but growth stock, emerging growth and sector rotation also play a role in the firm's approach. Regular group rotation based on relative values is practiced. Technical analysis also plays an important role.

Its fixed-income approach is based on interest rate anticipation and sector analysis. Market timing and interest-spread strategies play the key roles.

D.G. Payne, executive vice president-investment operations, is the chief investment officer and the client contact.

d

Dominion Life Assurance Co.

111 Westmount Road S., Waterloo, Ontario N2J 4C6; (519) 888-5314

Total assets managed	$1,200,000,000
Tax-exempt assets managed:	
Total	$150,000,000
Discretionary	$150,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	300
Number of portfolio managers	3
Stocks followed generally	125
Stocks followed closely	100
Types of accounts mgd	C

Dominion Life managed $150 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 20% Canadian stocks, 25% bonds, 2% cash, 50% mortgages, 2% U.S. stocks and 1% in other investments.

The firm is a balanced manager. It plans to introduce a real estate capability sometime this year.

Its equity approach is based on Graham & Dodd, emphasizing stock picking and using market timing (through exposure to or de-emphasis of betas).

Its fixed-income approach includes interest rate anticipation and sector analysis, with a stress on high quality marketability. The firm adjusts term to maturity depending on its market outlook, and maintains a 30% mid-term exposure at all times.

John Mahn, senior vice president and treasurer, is the chief investment officer; K.E. Rae, investment officer-equities and pensions, is the client contact.

f

Fiscal Consultants (1982) Ltd.

1075 Bay St., Suite 905, Toronto, Ontario M5S 2B1; (416) 960-8225

Total assets managed	$250,000,000
Tax-exempt assets managed:	
Total	$200,000,000
Discretionary	$200,000,000
Minimum separate account	$2,000,000
Tax-exempt clients	14
Number of portfolio managers	4
Size of research staff	1
Types of accounts mgd	C

Tax-exempt assets at Fiscal Consultants totaled $200 million as of March 31.

The approximate asset mix was 33% Canadian stocks, 40% bonds, 20% cash and 7% U.S. stocks.

The firm has balanced and real estate capabilities.

For equity investment, its approach includes low p/e, Graham & Dodd and market timing. It is top-down and value-oriented, emphasizing asset mix, industry selection and active use of cash reserves. Capital preservation is also emphasized.

Its bond investment approach is based on interest rate anticipation. It is active management with computer-sourced spread data used extensively to trade between markets and maturities.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

L.N. Watt, president, is the chief investment officer; Huntly Christie, vice president, is the client contact.

Its fixed-income approach is based on interest rate anticipation and invests the majority of the exposure in a pooled commercial and industrial mortgage fund. Capital appreciation is captured with an actively traded bond fund that has the ability to vary term quickly.

The firm has 15 clients that are pension funds of subsidiaries of U.S. firms.

Clients include Union Oil of Canada, Colgate-Palmolive Canada, Union Gas, Canadian Newspapers and Hayes-Dana.

J.R. Crysdale, senior vice president-investments, is the chief investment officer; G.N. Coopland, director-pension investments, is the client contact.

Gryphon Investment Council Inc.

2000 Peel St., Suite 710, Montreal, Quebec H3A 2W5; (514) 288-4122

Total assets managed	$466,000,000
Tax-exempt assets managed:	
Total	$123,000,000
Discretionary	$123,000,000
Minimum separate account	$5,000,000
Tax-exempt clients	8
Number of portfolio managers	6
Size of research staff	2
Stocks followed generally	300
Stocks followed closely	100
Types of accounts mgd	CEFJ

Gryphon had $123 million invested for tax-exempt clients as of March 31.

The approximate asset mix was 53% Canadian stocks, 28% bonds, 10% cash and 9% U.S. stocks.

The firm is predominantly a balanced fund manager, with specialist funds in equities and fixed income.

Sector rotation, market timing and fundamental analysis are used in the firm's equity approach. Stock selection within sectors is dependent on in-house research.

Its fixed-income approach is based on interest rate anticipation and sector analysis. Emphasis is on active interest rate timing, with goals of preservation and enhancement of capital to maximize total return. Concentration is in high-quality marketable bonds, and cash when appropriate.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

George B. Kiddell, president, is the chief investment officer.

Guaranty Trust Co. of Canada

366 Bay St., Toronto, Ontario M5H 3N8; (416) 863-5227

Total assets managed	$483,000,000
Tax-exempt assets managed:	
Total	$483,000,000
Discretionary	$483,000,000
Minimum separate account	$3,000,000
Tax-exempt clients	105
Number of portfolio managers	5
Stocks followed generally	200
Stocks followed closely	100
Types of accounts mgd	CFOJ

Guaranty Trust had $483 million in tax-exempt assets under management as of March 31.

The approximate asset mix was 33% Canadian stocks, 32% bonds, 10% cash, 15% mortgages and 10% U.S. stocks.

The firm has equity, balanced, real estate and foreign equity capabilities.

For real estate investments, Guaranty Pension Realty Ltd. provides a joint venture type of real estate fund. Participants are on the board of directors, working with the personnel of Guaranty Properties as their advisor and manager.

Guaranty Trust's equity approach is based on low p/e, emphasizing security selection and industry diversification.

For investing in fixed-income assets, the firm's approach is based on sector analysis. Emphasis is placed on medium-term maturity schedules, extendable and retractable options and high coupon income. Bond holdings are spread among Canadas, provincials and corporates with a minimum of an A rating.

The firm has 33 clients that are pension funds of subsidiaries of U.S. firms.

Clients include Joseph E. Seagram

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g

The Great-West Life Assurance Co.

100 Osborne St. N., Winnipeg, Manitoba R3C 3A5; (204) 946-1190

Total assets managed	$7,200,000,000
Tax-exempt assets managed:	
Total	$4,100,000,000
Discretionary	$850,000,000
Minimum separate account	$3,500,000
Real estate assets managed:	
Equity	$150,000,000
Mortgages	$430,000,000
Tax-exempt clients	220
Number of portfolio managers	16
Size of research staff	62
Stocks followed generally	265
Stocks followed closely	190
Types of accounts mgd	CGJ

Great-West Life managed $4.1 billion in tax-exempt assets as of March 31.

The approximate asset mix was 30% Canadian stocks, 15% bonds, 10% equity real estate, 35% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income, balanced and real estate capabilities.

Great-West Life uses a passive/active strategy for common stock management. The indexed core provides diversification, superior returns and efficiently implements the important timing decision. An aggressively managed U.S. fund complements the indexed core by investing in the half of the Standard & Poor's 500 index not available in Canada.

& Sons, H.J. Heinz, Champion Spark Plug of Canada and Canadian Gypsum.

Robert K. Weiler, assistant vice president, is the client contact.

Guardian Capital Investment Counsel Ltd.

Suite 500, 48 Yonge St., Toronto, Ontario M5E 1H3; (416) 364-8341

Total assets managed	$957,000,000
Tax-exempt assets managed:	
Total	$881,000,000
Discretionary	$881,000,000
Minimum separate account	$5,000,000
Tax-exempt clients	39
Number of portfolio managers	9
Stocks followed generally	300
Stocks followed closely	75
Types of accounts mgd	CEFJ

Guardian Capital had $881 million invested for 39 tax-exempt clients as of March 31.

The approximate mix for tax-exempt assets was 43% Canadian stocks, 24% bonds, 13% cash, 10% mortgages and 10% in U.S. and international stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach includes growth stock, emerging growth, low p/e, sector rotation, Graham & Dodd and market timing.

The fixed-income approach is based on interest rate anticipation and emphasizes quality and liquidity. The firm's performance depends on average term of portfolio and cash component.

The firm has 10 clients that are pension funds of subsidiaries of U.S. firms.

Clients include Boise Cascade, GTE, Ford of Canada and Sperry.

Gurston I. Rosenfeld, president, is the chief investment officer; Sally Kinnear, manager-client services, is the client contact.

h

Hodgson Roberton Laing Ltd.

199 Bay St., Suite 500, Toronto, Ontario M5J 1L4; (416) 869-3320

Total assets managed	$800,000,000
Tax-exempt assets managed:	
Total	$180,000,000
Discretionary	$180,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	7
Number of portfolio managers	4
Size of research staff	1
Stocks followed generally	70
Stocks followed closely	30
Types of accounts mgd	CEF

Tax-exempt assets at Hodgson Roberton Laing totaled $180 million as of March 31.

The approximate mix for tax-exempt assets was 35% Canadian stocks, 40% bonds, 15% cash and 10% U.S. stocks.

The firm is a balanced manager.

Its equity approach is based on Graham & Dodd. A modified top-down approach, industry mix and security selection are key elements.

The fixed-income approach is based on interest rate anticipation. The maturity and credit schedules are actively managed.

J. Warren Laing, president, is the chief investment officer; Terry C. Buddin, vice president, is the client contact.

i

The Imperial Life Assurance Co. of Canada

95 St. Clair Ave W., Toronto, Ontario M4V 1N7; (406) 926-2600

Total assets managed	$3,904,000,000
Tax-exempt assets managed:	
Total	$326,000,000
Discretionary	$326,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Mortgages	$72,000,000
Tax-exempt clients	267
Number of portfolio managers	12
Size of research staff	3
Stocks followed generally	160
Stocks followed closely	50
Types of accounts mgd	CJ

Imperial Life managed $326 million in tax-exempt assets as of March 31.

The approximate mix for tax-exempt assets was 30% Canadian stocks, 23% bonds, 20% cash, 22% mortgages and 5% U.S. stocks.

The firm is a balanced manager.

For equity investment, the firm's approach is based on growth stock and market timing. It features a top-down approach to market sectors and fundamental analysis of individual securities, emphasizing sectors and securities that show the greatest potential for growth.

The Imperial Life Assurance Co.'s fixed-income approach is based on interest rate anticipation and includes an active bond management style based on interest rate and yield spread analyses.

It emphasizes highly liquid, high-quality government issues, selected corporates, cash and short-term vehicles.

Clients include Brewer's Warehouse, Hatch Associates and Interprovincial Steel and Pipe.

J.B. Purdy, senior vice president-investments, is the chief investment officer.

Brian H. Cope, director of marketing-segregated funds, is the client contact at (416) 926-2646.

Investors Group Trust Co. Ltd.

280 Broadway, Winnipeg, Manitoba R3C 3B6; (204) 943-0361

Total assets managed	$3,000,000,000
Tax-exempt assets managed:	
Total	$600,000,000
Discretionary	$605,000,000
Minimum separate account	$4,000,000
Real estate assets managed:	
Mortgages	$1,225,000,000
Tax-exempt clients	283
Number of portfolio managers	9
Size of research staff	4
Stocks followed generally	55
Stocks followed closely	30
Types of accounts mgd	CGJ

The Investors Group had $604.5 million in tax-exempt assets under management as of March 31.

The approximate mix for tax-exempt assets was 30.7% Canadian stocks, 36.7% bonds, 8% cash, 17.3% mortgages and 9.3% in U.S. and Japanese stocks.

The firm has equity, fixed-income, balanced, foreign and master trustee capabilities.

Its equity approach includes sector rotation, modern portfolio theory and market timing. The firm uses a conservative stock selection process emphasizing industry sector rotation and liquidity factors to maximize capital appreciation potential without assuming undue risk.

The fixed-income approach includes interest rate anticipation, sector analysis, spread trading, and sinking fund corporation foreign-pay bonds. It blends an actively traded,

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high-quality bond portfolio with mortgages, altering the ratio depending on interest-rate spreads and the state of the economic cycle.

One client is the pension fund of a subsidiary of a U.S. firm.

The chief investment officer is P.E. Newman, senior vice president-investment; the client contact is W.H. Cunningham, vice president.

j

Jarislowsky, Fraser & Co. Ltd. Investment Counsel

Suite 1501, 65 Queen St. W., Toronto, Ontario M5H 2M5; (416) 363-7417

Total assets managed	$1,500,000,000
Tax-exempt assets managed:	
Total	$1,500,000,000
Discretionary	$1,500,000,000
Minimum separate account	$500,000
Real estate assets managed:	
Mortgages	$30,000,000
Tax-exempt clients	68
Number of portfolio managers	7
Size of research staff	5
Stocks followed generally	140
Stocks followed closely	100
Types of accounts mgd	CEFJ

Jarislowsky, Fraser & Co. had $1.5 billion invested for 68 tax-exempt clients as of March 31.

The approximate mix of those assets was 35% Canadian stocks, 43% bonds, 7% cash, 2% mortgages and 13% U.S. stocks.

The firm offers equity, fixed-income and balanced capabilities.

Its equity approach, which includes Graham & Dodd, modern portfolio theory and market timing, is fundamentalist. The firm conducts its own research and follows a strict adherence to its investment model and proven methodology.

The fixed-income approach is based on economic analysis of interest rate trends and an application of the criteria of safety of principal, the average term and optimization of yield.

The firm has 10 clients that are pension funds of subsidiaries of U.S. firms.

Clients include McGill University, Reader's Digest, Abitibi-Price, Queen's University and Hiram Walker Resources.

Stephen A. Jarislowsky, president, is the chief investment officer; Lorne T. Wickerson, partner, is the client contact.

JRF Financial Consultants Ltd.

56 Sparks St., Suite 803, Ottawa, Ontario K1P 5A9; (613) 236-7361

Total assets managed	$341,200,000
Tax-exempt assets managed:	
Total	$341,200,000
Discretionary	0
Real estate assets managed:	
Equity	$29,000,000
Mortgages	$95,000,000
Tax-exempt clients	6
Number of portfolio managers	2
Size of research staff	2
Stocks followed generally	80
Stocks followed closely	40
Types of accounts mgd	CEFG

Tax-exempt assets at JRF Financial Consultants totaled $341.2 million as of March 31.

The approximate mix of tax-exempt assets was 35% Canadian stocks, 17.6% bonds, 2.9% cash 8.4% equity real estate, 27.8% mortgages, 7.1% U.S. stocks, 1.1% in direct oil and gas investments; and 0.1% in venture capital.

The firm is an investment counsel.

For equity investment, shares of companies with the best long-term growth in terms of earnings and dividends are purchased regularly during a number of years.

Its fixed-income approach is passive. Fixed-income assets are sold when reinvested proceeds can produce higher cash flow to the pension fund. The objective is to maximize income over the long term, consistent with maintaining safety of principal.

Clients include Canadian 4-H Foundation, Canadian Wildlife Foundation, Japanese Studies Trust Fund, Canada Mortgage and Housing Corp. and the City of Ottawa Superannuation Fund.

John R. Ferguson, president, is the chief investment officer; Kevin Charlebois, vice president, is the client contact.

k

Kingwest Portfolio Management

Suite 7245, 1 First Canadian Place, Toronto, Ontario M5X 4A4; (416) 364-1503

Total assets managed	$120,000,000
Tax-exempt assets managed:	
Total	$85,000,000
Discretionary	$85,000,000
Minimum separate account	$500,000
Real estate assets managed:	
Mortgages	$10,000,000
Tax-exempt clients	7
Number of portfolio managers	2
Size of research staff	3
Stocks followed generally	300
Stocks followed closely	50
Types of accounts mgd	CJ

Kingwest managed $85 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 20% Canadian stocks, 60% bonds, 10% cash and 10% mortgages.

The firm is a balanced manager.

Its equity approach includes sector rotation, modern portfolio theory and market timing.

Its fixed-income approach emphasizes interest rate anticipation.

The firm has six clients that are pension funds of subsidiaries of U.S. firms.

Peter A. Dennis, managing director, is the chief investment officer and the client contact.

Knight, Bain, Seath & Holbrook Capital Management

8 King St. E., Suite 1500, Toronto, Ontario M5C 1B5; (416) 863-1433

Total assets managed	$440,000,000
Tax-exempt assets managed:	
Total	$440,000,000
Discretionary	$440,000,000
Minimum separate account	$10,000,000
Tax-exempt clients	23
Number of portfolio managers	4
Stocks followed generally	150
Stocks followed closely	30
Types of accounts mgd	CFJ

The firm had $440 million in tax-exempt assets under management as of

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604-687-7306

March 31.

The approximate mix of tax-exempt assets was 15% Canadian stocks, 57% bonds, 11% cash, 1% mortgages and 16% U.S. stocks.

For equity investment, a disciplined, fundamental approach is followed to select stocks, using financial criteria to screen for value, as represented both by earnings potential and underlying assets.

Active management, using high-grade, marketable issues is the basis for the fixed-income approach. Major changes in average term are made in anticipation of interest rate moves.

The firm has three clients that are pension funds of subsidiaries of U.S. firms.

Clients include Northern Telecom, Coca-Cola, TransCanada PipeLines, and Procter & Gamble.

The principals are the chief investment officers. Herbert N. Seath and David Knight are the client contacts.

1

Laketon Investment Management

P.O. Box 31, Suite 1830, Royal Bank Plaza, North Tower, Toronto, Ontario M5J 2J1; (416) 868-1380

Total assets managed	$285,000,000
Tax-exempt assets managed:	
Total	$260,000,000
Discretionary	$260,000,000
Minimum separate account	$3,000,000
Tax-exempt clients	7
Number of portfolio managers	5
Stocks followed generally	100
Stocks followed closely	40
Types of accounts mgd	CFJ

Laketon managed $260 million in tax-exempt assets as of March 31.

The firm has equity, fixed-income and balanced capabilities.

For equity investment, the firm emphasizes sector rotation and market timing. A top-down approach is used to identify specific industry groups. Stock selection is confined to high-quality, readily marketable vehicles. The timing is assisted by technical analysis.

The fixed-income approach uses interest rate anticipation and relative value trades. Bond portfolios are managed actively on a day-to-day basis to effect relative value trades. For the longer term, maturity schedules are adjusted to reflect the outlook for interest rate trends. Duration analysis is emphasized in fixed-income investment decisions and immunization strategies.

The firm has one client that is a pension fund of a subsidiary of a U.S. firm.

Clients include Cominco, City of Edmonton, Gulf Canada and the Canadian Allied Wholesale & Retail Union.

Alden S. White, managing partner, is the chief investment officer and the client contact.

Lank Roberton Macaulay

Suite 775 1801 McGill College Ave., Montreal, Quebec H3A 2N4; (514) 288-8136

Total assets managed	$200,000,000
Tax-exempt assets managed:	
Total	200,000,000
Discretionary	80,000,000
Minimum separate account	$250,000
Tax-exempt clients	30
Number of portfolio managers	6
Size of research staff	4
Stocks followed generally	300
Stocks followed closely	100
Types of accounts mgd	CEF

Tax-exempt assets at Lank Roberton Macaulay totaled $80 million as of March 31.

The approximate mix of tax-exempt assets was 35% Canadian stocks, 40% bonds, 10% cash, 5% mortgages and 10% U.S. stocks.

Lank Roberton Macaulay is a balanced manager.

Its equity approach includes growth stock, emerging growth and low p/e. The firm concentrates on senior and junior growth companies with proven track records. Selection is based on a low current multiple and where the multiple can expand if market perception changes.

Its fixed-income approach is passive and based on interest rate analysis. The average term to maturity of cash, bonds and mortgages is kept closely in line with the average of pension funds. Spreads between securities are constantly monitored and cash flows are invested to capitalize on spread opportunities.

The firm has one client that is a pension fund of a subsidiary of a U.S. firm.

The partners are the chief investment officers.

Lindsay, McKelvey & Co. Ltd.

101 Richmond St. W., Suite 1108, Toronto, Ontario M5H 1T1; (416) 362-4221

Total assets managed	$104,000,000
Tax-exempt assets managed:	
Total	$58,000,000
Discretionary	$58,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	9
Number of portfolio managers	2
Stocks followed generally	100
Stocks followed closely	25
Types of accounts mgd	CFJ

Lindsay, McKelvey & Co. managed $58 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 17% Canadian stocks, 66% bonds, 5% cash, 2% mortgages and 10% U.S. stocks.

The firm is a balanced manager.

For equity investment, the firm emphasizes growth stock and fundamentals, using a top-down, broad approach that looks outside of Canada. It has a strong U.S. capability. The firm anticipates major shifts, concentrating on the asset mix and avoiding overdiversification.

Its fixed-income approach is based on interest rate anticipation. The firm maintains quality, predicts major rate changes and uses some trading.

R.S. Stuart, president, is the chief investment officer.

P.S. Horgan, vice president, is the client contact.

London Life Insurance Co.

255 Dufferin Ave., London, Ontario N6A 4K1; (519) 432-5281

Total assets managed	$4,329,000,000
Tax-exempt assets managed:	
Total	$650,000,000
Discretionary	$650,000,000
Minimum separate account	$5,000,000
Tax-exempt clients	3,054
Number of portfolio managers	6
Size of research staff	2
Stocks followed generally	100
Stocks followed closely	60
Types of accounts mgd	CJ

London Life had $650 million in tax-exempt assets under management as of March 31.

The approximate mix of tax-exempt assets was 40% Canadian stocks, 40% bonds and 20% mortgages.

The firm is a balanced manager.

Its equity approach includes sector rotation, Graham & Dodd and market timing. The firm employs a combination of techniques that entails the blending of top-down strategy with bottom-up fundamental security analysis.

Its fixed-income approach is based on interest rate anticipation and sector analysis. The firm employs an investment strategy dictated by its liabilities profile, and trades the yield curve and spread between asset classes.

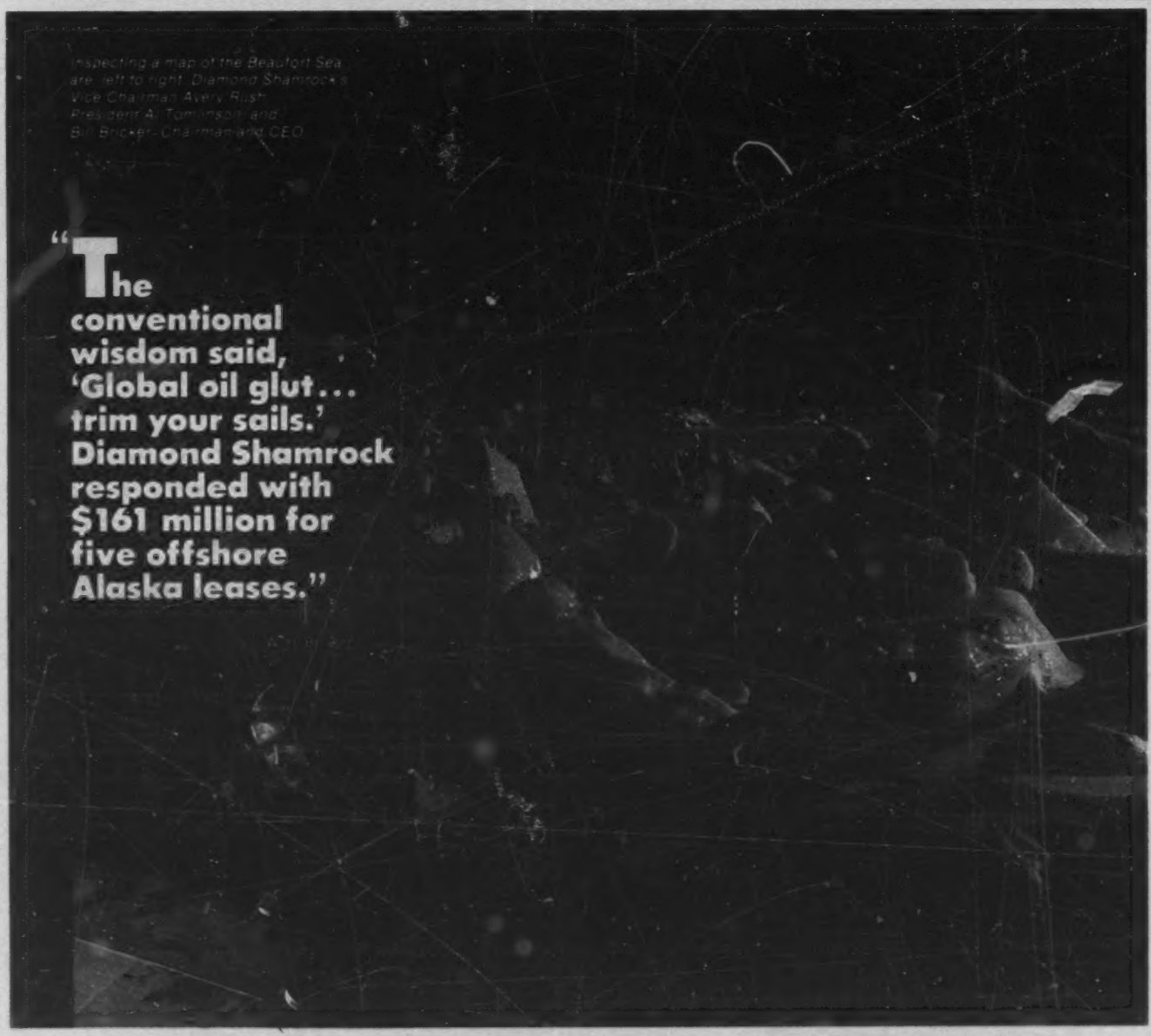
Tom Allen, vice president-investments, is the chief investment officer; Jack Littlehales, director-group sales, is the client contact.

Loucks, Lee & Associates Ltd.

#770 602 12th Ave. S.W., Calgary, Alberta T2R 1J3; (403) 269-4873

Total assets managed	$16,000,000
Tax-exempt assets managed:	
Total	$8,000,000
Discretionary	$8,000,000
Tax-exempt clients	4
Number of portfolio managers	1
Size of research staff	1
Types of accounts mgd	CF

Tax-exempt assets at Loucks, Lee & Associates totaled $8 million as of March 31.


Inspecting a map of the Beaufort Sea are (left to right) Diamond Shamrock Vice Chairman Avery Rush, President Al Tomlinson and Bill Bricker, Chairman and CEO.
"The conventional wisdom said, 'Global oil glut... trim your sails.' Diamond Shamrock responded with $161 million for five offshore Alaska leases."

With the price of oil down, why did Diamond Shamrock make the largest exploration commitment of its history?

1. Diamond Shamrock believes there is oil in the Harrison Bay structure under the Beaufort Sea. If oil is found, we believe it could be a reservoir so huge it would increase our domestic reserves many times over . . . at a remarkably low cost per barrel. Not incidentally, that judgment is shared by our partners and the geological community.

2. We see a bright future for oil. In the U.S. alone, demand for energy is expected to increase 15% by 1990 . . . and only companies that explore for significant new reserves today will be ready to meet that demand.

3. The timing was right. Diamond Shamrock had the resourcefulness . . . and the financial resources . . . to seize the opportunity. We have found that, from time to time, the unconventional action can generate the uncommon profit.

Write Director of Communications, Suite 3255, for the booklet, "The Beaufort Sea Story." And for all the facts on Diamond Shamrock. Entrepreneurial. Big enough to make an impact. And, when genuine opportunity knocks, pretty darned resourceful.

Diamond Shamrock
The resourceful company.

Diamond Shamrock Corporation, Dallas, Texas 75201

The approximate mix of tax-exempt assets was 40% Canadian stocks, 40% bonds, 10% cash and 10% U.S. stocks.

The firm is a balanced manager.

Equities selected are tailored to the client's objectives and the times.

The firm's investment emphasis for its clients is on absolute returns and risk control.

Its fixed income approach is active, with emphasis on quality and special features.

The firm has one client that is a pension fund of a subsidiary of a U.S. firm.

T.H. Loucks, president, is the chief investment officer and the client contact.

m

Managed Investments Ltd.

900-10117 Jasper Ave., Edmonton, Alberta, T5J 1W8; (403) 423-3544

Total assets managed	$108,000,000
Tax-exempt assets managed:	
Total	$69,000,000
Discretionary	$69,000,000
Minimum separate account	$200,000
Real estate assets managed:	
Mortgages	$1,000,000
Tax-exempt clients	3
Number of portfolio managers	2
Stocks followed generally	100
Types of accounts mgd	CPJ

Managed Investments had $69 million in tax-exempt assets under management as of March 31.

The approximate mix of tax-exempt assets was 15% Canadian stocks, 75% bonds and 10% U.S. stocks.

The firm is a balanced manager.

Its equity approach is based on analysis of fundamental values and earnings trends to uncover good relative values. Technical analysis, Graham & Dodd, low p/e, and modern portfolio theory are used.

Its fixed-income is based on interest rate anticipation and sector analysis and emphasizes liquidity of high grade areas, using a modified ladder approach. However, it does not believe interest rate anticipation techniques are reliable for the long term.

R. Bruce Sansom, president, is chief investment officer and client contact.

The Manufacturers Life Insurance Co.

200 Bloor St. E., Toronto, Ontario M4W 1E5; (416) 928-6439

Total assets managed	$2,380,000,000
Tax-exempt assets managed:	
Total	$850,000,000
Discretionary	$800,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Mortgages	$10,000,000
Tax-exempt clients	265
Number of portfolio managers	8
Stocks followed generally	400
Stocks followed closely	100
Types of accounts mgd	CEPGJ

Manufacturers Life managed $850 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 26% Canadian stocks, 33% bonds, 29% cash and 12% U.S. stocks.

The firm has equity, fixed-income, balanced and real estate capabilities.

For equity investment, the firm's primary emphasis is on market timing. Subsequent to "market decision," a combination fundamental/technical approach is used in sector and individual security selection.

Its fixed-income approach relies on interest rate anticipation based on economic analysis, with continuous, active management.

The firm has 36 clients that are pension funds of subsidiaries of U.S. firms.

Clients include Union Carbide, Ford Motor, Sherbrooke University, Manitoba Health Organizations and General Telephone.

Thomas A. Di Giacomo, senior vice president-investments, is the chief investment officer; Graham S. Rennie, assistant vice president-investment marketing, is the client contact.

McLean, Budden Ltd.

360 Bay St., Suite 801, Toronto, Ontario M5H 2V6; (416) 862-9800

Total assets managed	$1,044,000,000
Tax-exempt assets managed:	
Total	$720,000,000
Discretionary	$560,000,000
Minimum separate account	$3,000,000
Real estate assets managed:	
Mortgages	$28,000,000
Tax-exempt clients	26
Number of portfolio managers	11
Stocks followed generally	300
Stocks followed closely	100
Types of accounts mgd	CEPJ

As of March 31, McLean, Budden had $720 million invested for 26 tax-exempt clients.

The approximate mix of those assets was 31% Canadian stocks, 43% bonds, 12% cash, 3% mortgages and 11% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach is based on growth stock and sector rotation. Long-term fundamentals are stressed, with capital appreciation receiving primary emphasis. It de-emphasizes short-term trading and emphasizes major market swings. It views market timing as an element in long-term investment strategy.

Its fixed-income approach is based on interest rate anticipation and sector analysis. Bond portfolios are actively managed, trading against major cyclical swings. Fixed-income analysis focuses on prospective returns from maturity classes and sector analysis. Term decisions are based on the duration of the bond portfolio.

The firm has four clients that are pension funds of subsidiaries of U.S. firms.

Rodney Donald, chairman, is the chief investment officer; Wayne D. Beazer, vice president, is the client contact.

Montreal Investment Management

1130 Sherbrooke St. W., Montreal, Quebec H3A 2S7; (514) 286-4500

Total assets managed	$1,059,000,000
Tax-exempt assets managed:	
Total	$872,000,000
Discretionary	$872,000,000
Minimum separate account	$3,000,000
Tax-exempt clients	39
Number of portfolio managers	7
Stocks followed generally	225
Stocks followed closely	100
Types of accounts mgd	CEPGJ

Tax-exempt assets at Montreal Investment totaled $672 million as of March 31.

The approximate mix of tax-exempt assets was 35% Canadian stocks, 50% bonds, 5% equity real estate, 7% U.S. stocks and 3% international.

The firm is a balanced manager. It also has equity and fixed-income specialty accounts and real estate capability.

Its equity approach includes growth stock, market timing and direct research. Its equity research is directed toward midsize growth companies, which form the majority of the equity content. Cyclical companies are used in recoveries.

Its fixed-income approach consists of a core portion to which sector analysis applies most strongly and a trading portion, where interest rate anticipation is most important.

The firm has six clients that are pension funds of subsidiaries of U.S. firms.

Carl Otto, chairman, is the chief investment officer; Michael Burpee is the client contact at (514) 286-4509.

Montreal Trust Pension Investment Services

15 King St. W., Toronto, Ontario M5H 1B4; (416) 362-6363

Total assets managed	$2,447,000,000
Tax-exempt assets managed:	
Total	$2,188,000,000
Discretionary	$1,513,000,000

This announcement is neither an offer to sell nor a solicitation of an offer to buy these securities. The offer is made only by the Prospectus.

New Issue / June 28, 1983

12,000,000 Shares

Bell Canada Enterprises Inc.

Common Shares
(without par value)

Price U.S. $21.70 Per Share

Of the 12,000,000 Common Shares, 4,000,000 are being initially offered in the United States.

Copies of the Prospectus may be obtained in any State in which this announcement is circulated only from such of the undersigned as may legally offer these securities in such State.

Salomon Brothers Inc
Merrill Lynch White Weld Capital Markets Group
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Dominion Securities Ames Inc.
Wood Gundy Incorporated

The First Boston Corporation
Goldman, Sachs & Co.
Lehman Brothers Kuhn Loeb Incorporated
Morgan Stanley & Co. Incorporated
A. G. Becker Paribas Incorporated
Alex. Brown & Sons
Burns Fry and Timmins Inc.
Dillon, Read & Co. Inc.
Donaldson, Lufkin & Jenrette Securities Corporation
Drexel Burnham Lambert Incorporated
E. F. Hutton & Company Inc.
Kidder, Peabody & Co. Incorporated
Lazard Frères & Co.
McLeod Young Weir Incorporated
Prudential-Bache Securities
Richardson Greenshields Securities Inc.
L. F. Rothschild, Unterberg, Towbin
Shearson/American Express Inc.
Smith Barney, Harris Upham & Co. Incorporated
UBS Securities Inc.
Wertheim & Co., Inc.
Bell Gouinlock Incorporated
Lévesque, Beaubien Inc.
Midland Doherty Inc.
Nesbitt Thomson Securities, Inc.
Pitfield, Mackay & Co., Inc.
A. G. Edwards & Sons, Inc.
Oppenheimer & Co., Inc.
Thomson McKinnon Securities Inc.

6,000,000 Common Shares are being initially offered in Canada by a Canadian group represented by:

Dominion Securities Ames Limited
Wood Gundy Limited
Richardson Greenshields of Canada Limited
McLeod Young Weir Limited
Lévesque, Beaubien Inc.

2,000,000 Common Shares are being initially offered Internationally by an International group represented by:

Union Bank of Switzerland (Securities) Limited
Algemene Bank Nederland N.V.
Crédit Lyonnais
Dominion Securities Ames Limited
Dresdner Bank Aktiengesellschaft
Hambros Bank Limited
Merrill Lynch International & Co.
Salomon Brothers International
Société Générale de Banque S.A.
Wood Gundy Limited

Minimum separate account	$2,000,000
Real estate assets managed:	
Mortgages	$200,000,000
Tax-exempt clients	668
Number of portfolio managers	15
Size of research staff	8
Stocks followed generally	250
Stocks followed closely	150
Types of accounts mgd	CJ

Montreal Trust had $2.2 billion in tax-exempt assets under management as of March 31.

The approximate mix of tax-exempt assets was 25% Canadian stocks, 45% bonds, 5% cash, 15% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Montreal Trust's equity approach includes sector rotation, Graham & Dodd and market timing.

Its decision on an industry (and company) will be a function of how the specific industry will be effected by the firm's current and projected view of the economy.

For fixed income, it uses interest rate anticipation. Montreal Trust believes that anticipating shifts in the yield curve is the key to active bond management. The bond portfolios are structured to take advantage of changes in the yield curve and the dimension of those changes. Its expectational strategy emphasizes quality, term, coupon, duration and marketability.

Of the 250 stocks that the firm follows generally, 150 are Canadian and 100 are U.S.

Of the 150 stocks that the firm follows closely, 100 are Canadian and 50 are U.S.

Approximately 40% of Montreal Trust's clients are pension funds of subsidiaries of U.S. firms.

Norman Cunningham, vice president-investment management services, is the chief investment officer; N.J. ("Jack") Amos, marketing manager-pension investment services, is the client contact.

Morguard Investments Ltd.

6 Crescent Road, Toronto, Ontario M4W 3K9; (416) 967-0880

Total assets managed	$3,720,000,000
Tax-exempt assets managed:	
Total	$3,205,000,000
Discretionary	$400,000,000
Real estate assets managed:	
Equity	$1,100,000,000
Mortgages	$2,578,000,000
Tax-exempt clients	415
Number of portfolio managers	26
Size of research staff	65
Types of accounts mgd	CEFGJ

Tax-exempt assets at Morguard Investments totaled $3.2 billion as of March 31.

The approximate mix for these assets was 34% equity real estate, 65% mortgages and 1% in oil and gas. The firm is a real estate manager and mortgage manager.

Its clients include Ontario Workmen's Compensation Fund, Air Canada, Northern Telecom, Alberta Government Telephones and Shell Canada.

D.D. Weiss, executive vice president-mortgage division, and A.K. Stephens, executive vice president-property division, are chief investment officers.

H.S. Dougan, senior vice president-business development, mortgage division, and W.A. Houghton, senior vice president-investments, property division, are the client contacts at Morguard Investments.

Mu-Cana Investment Counselling Ltd.

227 King St. S., Waterloo, Ontario N2J 4C5; (519) 888-2750

Total assets managed	$899,000,000
Tax-exempt assets managed:	
Total	$789,000,000
Discretionary	$789,000,000
Minimum separate account	$5,000,000
Tax-exempt clients	46
Number of portfolio managers	7
Stocks followed closely	150
Types of accounts mgd	CEFGJ

Mu-Cana had $789 million invested for 46 tax-exempt clients as of March 31.

The approximate mix of those assets was 35% Canadian stocks, 50% bonds, 5% mortgages and 10% U.S. stocks.

The firm is a balanced manager.

Mu-Cana Investment Counseling's equity approach is based on Graham & Dodd and market timing. The firm works top-down and integrates its equity and fixed-income strategy into an overall asset mix. Strong stands are taken on industry weightings and holdings.

For fixed-income management, Mu-Cana rates duration management and quality levels far higher than trading gains and makes use of private placements, stripped bonds and Canadian-issue U.S. dollar denominations.

The firm has nine clients that are pension funds of subsidiaries of U.S. firms.

Clients include Gates Canada, Joy Manufacturing, General Foods and Pillsbury.

H.E. Brough, senior vice president-investment operations, is the chief investment officer.

David M. Paleczny, senior vice president-marketing, is the client contact at (519) 888-2465.

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BS-PI

We are pleased to announce that

James R. McCall, C.F.A.

has joined our firm as

Senior Vice President and Partner

LOVETT, WARD & BERTELSEN
Investment Management

84 State Street • Boston, Massachusetts 02109
(617) 720-4220

Mutual Life of Canada
227 King St. S., Waterloo, Ontario N2J 4C5; (519) 888-2476

Total assets managed	$4,000,000,000
Tax-exempt assets managed:	
Total	$684,000,000
Discretionary	$534,000,000
Minimum separate account	$5,000,000
Tax-exempt clients	1,000
Number of portfolio managers	10
Size of research staff	7
Stocks followed closely	150
Types of accounts mgd	CGJ

Tax-exempt assets at Mutual Life totaled $684 million as of March 31.

The approximate mix of tax-exempt assets was 30% Canadian stocks, 50% bonds, 2% cash, 8% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach is based on Graham & Dodd and market timing. A top-down approach is followed beginning with asset mix, exposure to Canadian and U.S. markets and emphasis on industries that will benefit from the firm's economic and market outlook.

Its fixed-income approach emphasizes interest rate anticipation. It has a conservatively managed, actively traded pooled fund, an aggressively managed fund and tailored separate accounts.

Approximately 50 of the firm's clients are pension funds of subsidiaries of U.S. firms.

Clients include Alberta Natural Gas, Bendix, Honda and Levi Strauss.

Duncan R. Winhold, senior vice president, is the chief investment officer; Ellery E. Thorsteinson, manager-pension investments, is the client contact.

n

The National Life Assurance Co. of Canada
522 University Ave., Toronto, Ontario M5G 1Y7; (416) 593-2122

Total assets managed	$785,000,000
Tax-exempt assets managed:	
Total	$138,000,000
Discretionary	$115,000,000
Minimum separate account	$1,000,000
Real estate assets managed:	
Mortgages	$13,000,000
Tax-exempt clients	45
Number of portfolio managers	4
Stocks followed generally	30
Stocks followed closely	60
Types of accounts mgd	CG

National Life managed $138 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 30% Canadian stocks, 40% bonds, 10% cash, 10% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach includes growth stock, low p/e, sector rotation and market timing. The approach is generalist, selecting undervalued growth securities and using market timing in the purchases. The firm rounds out the Canadian industry positions with selected foreign equities.

Its fixed-income approach is based on interest rate anticipation and sector analysis. The firm specializes in active management of portfolios of short- and long-term bonds in order to minimize price volatility while maintaining income, thereby achieving a consistency of rates of return.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

T.L. Dea, investment vice president, is the chief investment officer; Howard Shill, director-pension investment services, is the client contact.

National Trust Co. Ltd.
21 King St. E., Toronto, Ontario M5C 1B3; (416) 364-9141

Total assets managed	$1,700,000,000
Tax-exempt assets managed:	
Total	$1,000,000,000
Discretionary	$800,000,000
Minimum separate account	$3,000,000
Real estate assets managed:	
Mortgages	$135,000,000
Tax-exempt clients	250
Number of portfolio managers	9
Size of research staff	3
Stocks followed generally	300
Stocks followed closely	150
Types of accounts mgd	CEFGJ

Tax-exempt assets at National Trust totaled $1 billion as of March 31.

The approximate mix of tax-exempt assets was 35% Canadian stocks, 35% bonds, 10% cash, 10% mortgages and 10% U.S. stocks.

The firm has balanced and specialty capabilities.

Its equity approach emphasizes modern portfolio theory, selecting stocks on individual merit rather than by industry group. National Trust relies heavily on fundamental analysis to establish underlying value and to assess risk.

Its fixed-income approach is based on interest rate forecasts and expected changes in the yield curve. Core holdings are short- and medium-term extendibles, while the long term component is traded aggressively.

More than 100 of the firm's clients are pension funds of subsidiaries of U.S. firms.

E.A. Walker, senior vice president-investments, is the chief investment officer; D.D. Landreville, vice president-employee benefit department, is the client contact.

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Phillips Hager & North Ltd.
1055 W. Hastings St., Vancouver, British Columbia V6E 2H3; (604) 684-4361

Total assets managed	$2,000,000,000
Tax-exempt assets managed:	
Total	$1,700,000,000
Discretionary	$1,700,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Mortgages	$300,000,000
Tax-exempt clients	80
Number of portfolio managers	6
Size of research staff	6
Stocks followed generally	200
Stocks followed closely	100
Types of accounts mgd	CEJ

Phillips Hager & North managed $1.7 billion in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 40% Canadian stocks, 30% bonds, 10% cash, 10% mortgages and 10% U.S. stocks.

The firm is a balanced manager.

It emphasizes sector rotation in its equity approach, concentrating on companies with above-average records and superior return on equity. It

This announcement appears as a matter of record only.

June 30, 1983
Selected Year-To-Date 1983 Sales

$104,000,000. approximate FNMA variable rate mortgage backed securities.	$ 5,100,000. approximate Short term first mortgage loans.
$ 8,300,000. approximate 15 year fully amortized second mortgage loans.	$ 4,300,000. approximate 15 year fully amortized second mortgage loans.
$ 1,000,000. approximate 15 year fully amortized second mortgage loans.	$ 2,000,000. approximate 30 year amortized first mortgage loans.
$ 5,000,000. approximate 15 year fully amortized second mortgage loans.	$ 30,000,000. approximate 15 year fully amortized second mortgage loans.
$ 4,000,000. approximate Variable rate first mortgage loans.	$ 6,200,000. approximate Short term first mortgage loans.
$ 4,300,000. approximate Deep discount residential mortgage loans.	$ 3,300,000. approximate 30 year fully amortized first mortgage loans.
$ 8,300,000. approximate 15 year fully amortized second mortgage loans.	$ 4,900,000. approximate Short term first mortgage loans.
$ 7,800,000. approximate Deep discount commercial mortgage loans.	$ 5,200,000. approximate Short term first mortgage loans.
$ 6,600,000. approximate Short term first mortgage loans.	$ 2,700,000. approximate Adjustable rate first mortgage loans.
$ 10,000,000. approximate Short term first mortgage loans.	$ 25,000,000. approximate Adjustable rate commercial mortgage loans.

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tends to stress lower p/es, and generally invests for a two- to three-year time horizon.

Its fixed-income approach is based on interest rate anticipation. The firm attempts to invest for major cyclical changes in interest rates and does not actively trade the bond portfolio.

The firm has 30 clients that are pension funds of subsidiaries of U.S. firms.

R.S. Hager, president, is the chief investment officer and the client contact.

Prudential Assurance Co. Ltd., Pension Fund Management

Suite 203/300, 141 Adelaide St. W., Toronto, Ontario M5H 3L9; (415) 368-8041

Total assets managed	$1,650,000,000
Tax-exempt assets managed:	
Total	$225,000,000
Discretionary	$80,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$2,000,000
Mortgages	$8,000,000
Tax-exempt clients	155
Number of portfolio managers	6
Size of research staff	1
Stocks followed generally	150
Stocks followed closely	75
Types of accounts mgd	C

Tax-exempt assets at Prudential totaled $225 million as of March 31.

The approximate mix of tax-exempt assets was 40% Canadian stocks, 30% bonds, 5% cash, 5% equity real estate, 10% mortgages and 10% U.S. stocks.

The firm is a balanced manager.

Its equity approach is based on Graham & Dodd. The firm, which concentrates on marketable Canadian stocks and weights industries against index sub-groups, is fundamentalist in selection and an active trader. Its U.S. stock portfolio's construction and activity is heavily dependent on quantitative analysis.

Its fixed-income approach is based on interest rate anticipation. Portfolios are well-diversified, very actively traded and the average term is aggressively managed, reflecting business and interest rate expectations.

The firm has 11 clients that are pension funds of subsidiaries of U.S. firms.

J.A. Crocker, vice president-investments, is the chief investment officer; K. Kukkonen, pension sales manager, is the client contact.

Reed Monahan Nicholishen Investment Counsel

20 Victoria St., Suite 705, Toronto, Ontario M5C 2N8; (416) 365-0038

Total assets managed	$25,000,000
Tax-exempt assets managed	
Total	$17,000,000
Discretionary	$17,000,000
Minimum separate account	$1,000,000
Tax-exempt clients	4
Number of portfolio managers	3
Stocks followed generally	100
Stocks followed closely	40
Types of accounts mgd	C

Reed Monahan Nicholishen managed $17 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 35% Canadian stocks, 50% bonds, 5% cash and 10% U.S. stocks.

The firm is a balanced manager. It also has real estate capabilities.

Its equity approach includes growth stock, emerging growth and Graham & Dodd, with analysis of specific industry groups and management interviews of emerging growth companies. Automatic review of holdings is triggered by evaluation screens and price target disciplines.

Its fixed-income assets are managed by shifting portfolio quality and maturity schedules based on anticipated interest rate changes. It is an active approach, using high-grade and marketable issues.

The firm has one client that is a pension fund of a subsidiary of a U.S. firm.

Donald F. Reed, president, is the chief investment officer and the client contact.

Royal Trust

P.O. Box 7500, Station A, Toronto, Ontario M5W 1P9; (416) 867-2403

Total assets managed	$9,400,000,000
Tax-exempt assets managed:	
Total	$4,200,000,000
Discretionary	$4,200,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$250,000,000
Mortgages	$750,000,000
Tax-exempt clients	1,479
Number of portfolio managers	57
Size of research staff	20
Stocks followed generally	250
Stocks followed closely	200
Types of accounts mgd	CEFGJ

Royal Trust had $4.2 billion in tax-exempt assets under management as of Dec. 31, 1982.

The approximate mix of tax-exempt assets was 36% Canadian stocks, 25% bonds, 7% equity real estate, 17% mortgages, 10% U.S. stocks and 5% in energy.

The firm has equity, fixed-income, balanced, real estate and energy capabilities.

The firm's equity approach includes growth stock, sector rotation and Graham & Dodd. With the assistance of in-house research, portfolio managers identify strategies and securities that perform best in the forecast market environment. Risk is carefully controlled.

Its fixed-income approach includes interest rate anticipation and sector analysis. Extensive in-house quantitative and qualitative research is done. Mortgages form a substantial part of the debt sector.

Clients include Stelco, Kodak Canada, General Motors of Canada, Volvo Canada and IBM Canada.

B. Lee Bentley, vice president-trust investments, is the chief investment officer; James A. Gordon, assistant vice president-corporate development, pension trust services, is the client contact.

Ruggles & Crysdale

Royal Bank Plaza, Postal Station 'A', Box 4015, Toronto, Ontario M5W 2J3; (416) 865-0460

Total assets managed	$932,000,000
Tax-exempt assets managed:	
Total	$920,000,000
Discretionary	$920,000,000
Minimum separate account	$10,000,000
Tax-exempt clients	20
Number of portfolio managers	3
Size of research staff	2
Stocks followed generally	100
Stocks followed closely	60
Types of accounts mgd	CJ

Ruggles & Crysdale managed $920 million in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 50% Canadian stocks, 20% bonds, 18% cash, 2% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach is based on emerging growth and sector rotation. Emerging growth stocks are mixed with more mature optionable stocks to form a leveraged portfolio that can be tilted to either bull or bear market trends.

For fixed-income management, the firm has an active trading approach based on expected interest rate moves using liquid government bonds as the vehicle. Bond options are written to increase return and hedge long maturity positions.

The firm has seven clients that are pension funds of subsidiaries of U.S. firms.

Robert T. Ruggles, chairman, is the chief investment officer; R. Bruce Taylor, vice president, is the client contact.

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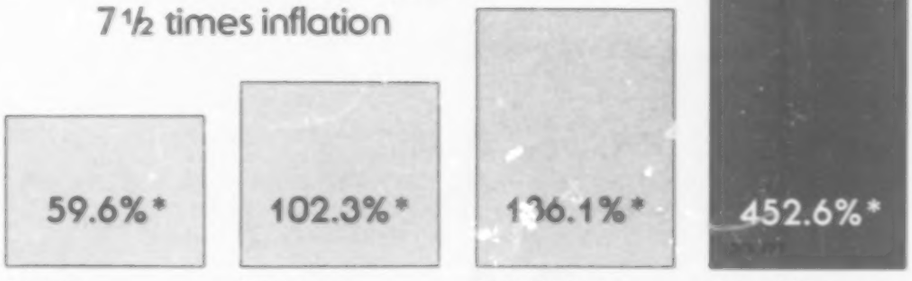

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*These figures show the total return as of 6/30/83 of investments made on 12/31/77. The figure for the CGMG represents the average of accounts managed during this period and includes reinvestment of all dividends. The figures for the S&P 500 and the Dow Jones Industrial Average — widely recognized indices of stock market performance (based on an unmanaged group of stocks) — include the reinvestment of all dividend distributions. These figures are not necessarily an indication of future results.

S

Sceptre Investment Counsel Ltd.

Suite 802, 40 University Ave., Toronto, Ontario M5J 2G1; (416) 977-6111

Total assets managed	$1,170,000,000
Tax-exempt assets managed:	
Total	$1,100,000,000
Discretionary	$1,100,000,000
Minimum separate account	$10,000,000
Tax-exempt clients	52
Number of portfolio managers	7
Size of research staff	4
Stocks followed generally	300
Stocks followed closely	150
Types of accounts mgd	CPJ

Tax-exempt assets at Sceptre totaled $1.1 billion as of March 31.

The approximate mix of tax-exempt assets was 40% Canadian stocks, 40% bonds, 5% cash, 5% mortgages and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Sceptre Investment Counsel Ltd.'s equity approach emphasizes sector rotation and Graham & Dodd.

Its fixed-income approach focuses on quality extendible issues.

J. Douglas Grant, president, is the chief investment officer; George B. Turnbull, vice president, is the client contact at (416) 977-6118.

Standard Life Assurance Co.

1245 Sherbrooke St. W., Montreal, Quebec H3B 1G3; (514) 284-6711

Total assets managed	$3,300,000,000
Tax-exempt assets managed:	
Total	$2,002,000,000
Discretionary	$2,002,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$23,000,000
Mortgages	$94,000,000
Tax-exempt clients	271
Number of portfolio managers	8
Size of research staff	4
Stocks followed generally	120
Stocks followed closely	50
Types of accounts mgd	CJ

Standard Life had $2 billion in assets invested for 271 tax-exempt clients as of March 31.

The approximate mix of tax-exempt assets was 45% Canadian stocks, 30% bonds, 13% cash, 5% mortgages and 7% U.S. stocks.

The firm has equity, fixed-income and real estate capabilities.

Its equity approach includes emerging growth, sector rotation and Graham & Dodd. Standard Life traditionally has emphasized the long-term value of equities as opposed to other traditional asset classes.

For fixed-income management, interest rate anticipation and sector analysis are emphasized. Quality and liquidity are stressed and value added through cyclical and spread trading.

The firm has 29 clients that are pension funds of subsidiaries of U.S. firms. R.R. Naudie, senior vice president-finance, is the chief investment officer; Paul H. de Savoye, vice president-Standard Life Portfolio Management, is the client contact at (416) 229-2030.

Sun Life Assurance Co. of Canada

...00 University Ave., Toronto, Ontario M5A 3C7; (416) 595-7500

...tal assets managed	$1,690,000,000
Tax-exempt assets managed:	
Total	$1,685,000,000
Discretionary	$1,685,000,000
Minimum separate account	$2,000,000
Real estate assets managed:	
Equity	$100,000,000
Mortgages	$153,000,000
Tax-exempt clients	110
Number of portfolio managers	13
Size of research staff	13
Stocks followed generally	50
Stocks followed closely	150
Types of accounts mgd	CEJ

Tax-exempt assets at Sun Life totaled $1.7 billion as of March 31.

The approximate mix of tax-exempt assets was 30% Canadian stocks, 28% bonds, 8% cash, 6% equity real estate, 12% mortgages, 10% U.S. stocks and 6% guaranteed deposits.

The firm has equity, fixed-income, balanced, real estate, mortgage and private placement bond capabilities.

Based on Graham & Dodd, the firm's approach to equity investment is active management, combining capital appreciation with dividend income to maximize the return during each market cycle.

For fixed-income management, the firm's emphasis is on interest rate anticipation, sector swapping and immunization.

The firm has 30 clients that are pension funds of subsidiaries of U.S. firms.

Clients include AMCA International, Canadian Utilities, Texaco Canada and Trans-Alta Utilities.

Alfred G. Wirth, vice president-securities investments, is the chief investment officer; R. Murray McBride, senior pension investment officer, is the client contact at (416) 595-7808.

t

Timmins & Associates Ltd.

130 Adelaide St. W., P.O. Box 1160, Station A, Toronto, Ontario M5W 1G5; (416) 364-5620

Total assets managed	$500,000,000
Tax-exempt assets managed:	
Total	$400,000,000
Discretionary	$400,000,000
Minimum separate account	$4,000,000
Tax-exempt clients	30
Number of portfolio managers	6
Size of research staff	2
Stocks followed generally	150
Stocks followed closely	50
Types of accounts mgd	CEF

Timmins had $400 million invested for 30 tax-exempt clients as of March 31.

The approximate mix of tax-exempt assets was 25% Canadian stocks, 55% bonds, 10% cash and 10% U.S. stocks.

The firm has equity, fixed-income and balanced capabilities.

Its equity approach emphasizes sector rotation. The firm identifies under- and overvalued securities using macro analysis to develop concepts that will dominate market attention, relating them to market consensus.

Its fixed-income approach is based on sector analysis. The firm forecasts interest rate spreads among all sectors of the bond market, concentrating on fundamental trends in sector flow of funds. Computer models estimate total return and construct optimal portfolios.

The firm has five clients that are pension funds of subsidiaries of U.S. firms.

Jean-Guy Desjardins, president, is the chief investment officer; Robert A. Swan, vice president, is the client contact.

Toronto Investment Management Inc.

P.O. Box 75, Royal Bank Plaza, Toronto, Ontario M5J 2J2; (416) 865-0731

Total assets managed	$2,100,000,000
Tax-exempt assets managed:	
Total	$1,700,000,000
Discretionary	$1,700,000,000
Minimum separate account	$5,000,000
Real estate assets managed:	
Equity	$6,000,000
Mortgages	$74,000,000
Tax-exempt clients	75
Number of portfolio managers	9
Size of research staff	2
Stocks followed generally	160
Stocks followed closely	25
Types of accounts mgd	CEFGJ

Toronto Investment Management managed $1.7 billion in tax-exempt assets as of March 31.

The approximate mix of tax-exempt assets was 30% Canadian stocks, 45% bonds, 9% cash, 1% equity real estate, 5% mortgages, 6% U.S. stocks and 4% non-North American.

The firm has equity, fixed-income and balanced capabilities.

Emerging growth, Graham & Dodd, modern portfolio theory and market timing all play a role in the equity approach. Fundamental analysis is used.

Its fixed-income approach is based on interest rate anticipation and sec-

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tor analysis. Bond portfolios have a trading portion positioned to take advantage of market changes. The remaining portion is invested to satisfy long-run portfolio goals.

The firm has 56 clients that are pension funds of subsidiaries of U.S. firms.

W.J. Smith, president, is the chief investment officer and the client contact.

Trust General Du Canada

1100 rue University, Montreal, Quebec, H3B 2G7; (514) 871-7433

Total assets managed	$2,500,000,000
Tax-exempt assets managed:	
Total	$798,000,000
Discretionary	$798,000,000
Minimum separate account	$1,000,000
Real estate assets managed:	
Mortgages	$100,000,000
Tax-exempt clients	340
Number of portfolio managers	10
Size of research staff	3
Stocks followed generally	140
Stocks followed closely	140
Types of accounts mgd	CFJ

Tax-exempt assets at Trust General totaled $798 million as of March 31.

The approximate mix of tax-exempt assets was 25% Canadian stocks, 40% bonds, 10% cash, 15% mortgages and 10% U.S. stocks.

Trust General is a balanced manager.

Its equity approach includes sector rotation, modern portfolio theory and market timing. Within limits of client objectives and constraints, the emphasis is on overweighting industry groups offering the prospect of best one-year investment return given the firm's most probable economic scenario.

The fixed-income approach is based on interest rate anticipation.

The firm has two clients that are pension funds of subsidiaries of U.S. firms.

Clients include Universite de Montreal, Debardeurs de Montreal, Reynolds Aluminum, Marine Industries and Ville de Sherbrooke.

Andre Bineau, vice president-investment, is the chief investment officer; Jacques Nadeau, assistant vice president-pension funds, is the client contact.

W

M.K. Wong & Associates Ltd.

2520-1066 W. Hastings St., Vancouver, British Columbia V6E 3X1; (604) 669-4555

Total assets managed	$640,000,000
Tax-exempt assets managed:	
Total	$600,000,000
Discretionary	$600,000,000
Minimum separate account	$10,000,000
Tax-exempt clients	38
Number of portfolio managers	4
Stocks followed generally	80
Stocks followed closely	40
Types of accounts mgd	CEFGJ

Tax-exempt assets at M.K. Wong totaled $600 million as of March 31.

The approximate mix of tax-exempt assets was 25% Canadian stocks, 55% bonds, 5% cash, 7% mortgages and 8% U.S. stocks.

The firm is a balanced manager.

Its equity approach emphasizes sector rotation.

Its fixed-income approach is based on interest rate anticipation.

The firm has four clients that are pension funds of subsidiaries of U.S. firms.

Milton K. Wong, president, is the chief investment officer and the client contact.

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Quebec fund . . .

Continued from page 43

pand operations, Mr. Normand said.

There are always companies in trouble, but the Caisse is not in the position to bail out all of them. "Otherwise, that's what we'll do all day," he added.

Moreover, the fund about two years ago changed from purely lending to these companies to taking an equity participation.

"The Caisse had been investing for years in medium-size companies as a lender, but we found those companies" had too much debt; now it provides equity and participates in its appreciation.

Often the hope is that if the fund puts in capital, the company "will become big entrepreneurs" in Quebec and trade publicly.

One example is a private placement the Caisse made with Welfab Steel Products Ltd. in the spring of 1983. The fund reportedly paid $2 million for a debenture and purchased some 30% of the common stock. Welfab, a metal fabricator, had been owned by five partners.

Mr. Normand detailed the fund's reasoning behind that investment: The firm had "outstanding growth potential" and "they needed to expand and they needed a partner."

He stressed the relationship between these small firms and the Caisse is a partnership, and there are no restrictions placed on these firms, which already operate inside the province.

The fund has not been so well received when seeking representation on the boards of directors of publicly traded companies in which it holds a large block of stock.

Although it does hold seats on some boards — Provigo, Trust Generale du Canada and Noranda Mines — it has been rebuffed by several others — Alcan Aluminum Ltd. and, very recently, Dominion Textile Inc., Canada's largest textile manufacturer.

Mr. Normand sees these rebuffs as discriminating against the Caisse. "We feel the Caisse, as an investor, should have all the rights attached to those stocks," he asserted. "When you have an important position in any company, it is almost a normal thing to have some kind of representation."

He criticized a system "where the (corporation's) managers are choosing their employees and their board of directors and they are even choosing their shareholders." Instead, it is the shareholders who should choose the directors and the managers, he said.

The fund does not wish to gain representation to influence decisions that are not in the interests of the company's profit, he said.

Mr. Normand defended the Caisse's controversial holding in Canadian Pacific, arguing that in the past 10 years, CP's stock has outperformed the Toronto Stock Exchange of 300 stocks.

In 1982, he said, "CP, in terms of earnings did reasonably well" when "a lot of companies didn't report any earnings." CP had $188 million net income in 1982, down from $485.6 million in 1981. And he criticized the proposed bill that would restrict its holdings in CP as one that limits the fund's investments — and its opportunity for returns.

Since the bill was introduced, however, the fund has not purchased any more CP stock, although its general manager, Jean Campeau, has stated publicly the fund is interested in doing so.

The fund has abstained because the bill, if passed, would apply retroactively, Mr. Normand said. "We are respectful of the law. We would be foolish not to do so." ■

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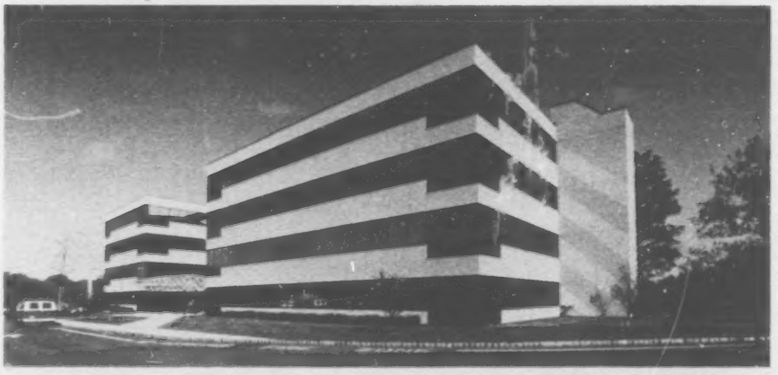

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